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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1983

Y4. AP6/1: IN 8/6/983/PT.7

ORIGINAL
COMPLET

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS
HOUSE OF REPRESENTATIVES

NINETY-SEVENTH CONGRESS

SECOND SESSION

SUBCOMMITTEE ON THE DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES

SIDNEY R. YATES, Illinois, *Chairman*

CLARENCE D. LONG, Maryland	JOSEPH M. McDADE, Pennsylvania
JOHN P. MURTHA, Pennsylvania	RALPH S. REGULA, Ohio
NORMAN D. DICKS, Washington	TOM LOEFFLER, Texas
LES AuCOIN, Oregon	

FREDERICK G. MOHRMAN, D. NEAL SIGMON, and KATHLEEN R. JOHNSON, *Staff Assistants*

PART 7

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Public Witnesses:

- **National Endowment for the Arts** **509**
- **National Endowment for the Humanities** **699**
- **Institute of Museum Services** **863**

Printed for the use of the Committee on Appropriations

DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1983

HEARINGS

BEFORE A

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COMMITTEE ON APPROPRIATIONS
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DEPARTMENT OF THE INTERIOR AND RELATED AGENCIES APPROPRIATIONS FOR 1983

THURSDAY, MAY 13, 1982.

DEPARTMENT OF THE INTERIOR

TESTIMONY OF MEMBERS OF CONGRESS

OPENING REMARKS

Mr. YATES. Mr. Reporter, show the hearing as coming to order. This hearing will reflect the statements of Members of Congress respecting the appropriations bill for fiscal year 1983.

THURSDAY, MAY 13, 1982.

INDIAN HEALTH SERVICE

BLACKFEET HOSPITAL

WITNESS

HON. PAT WILLIAMS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MONTANA

Mr. YATES. We are very pleased to have with us to begin the hearings our good friend, Mr. Williams of Montana.

Mr. Williams, your statement may be made a part of the record.

Mr. WILLIAMS. Thank you, Mr. Chairman.

Inasmuch as the statement will be made a part of the record, I won't read it.

I want the Chair and the committee to know that I am here again on behalf of construction money for the Blackfeet Indian Community Hospital. Things haven't gotten any better there, Mr. Chairman, since we last visited.

For example, they have two boilers in that hospital. Last year one of them was out a considerable length of time. One day they both went out, and they stayed out for most of the day; the hospital had no heat. The temperature outside that day was 30 degrees below zero, which of course represented an intolerable situation for seriously ill patients of which every hospital has many.

I have some good news to bring you, though. That is that the tribe is working with IHS to reduce the size of the new hospital, and therefore the costs of it. The original size was to have been 80,000 square feet. But the Indian Health Service and tribes have worked together to select those functions that need not move into the new hospital but instead could continue to be carried out in the old hospital.

They have found some considerable opportunities—community health care, dental maintenance, storage and some others—that will be kept in the old hospital, thereby reducing the square footage cost of the new hospital by 19,000 square feet, bringing it from 80,000 to 61,000. We are thinking that will be a substantial savings to the Federal Government.

Because the planning money was granted last year for the architectural and engineering work, that work is well underway.

Mr. YATES. When will that be completed?

Mr. WILLIAMS. With the decision on the square footage completed, the firm is beginning work on the final design. That should be completed early next year. Probably by this time next year, it will have been completed.

Mr. YATES. We will surely give it every consideration, Mr. Williams.

Mr. WILLIAMS. I know you will. We appreciate your help on it in the past, Mr. Chairman. I submit to you that, as you well know, we are caught in the dilemma of desperately needing a new hospital at a time when costs aren't going down, they are going up.

Mr. YATES. Thank you very much.

[The statement of Mr. Williams follows:]

STATEMENT BY PAT WILLIAMS
Western District Representative
State of Montana

before the

Subcommittee on Interior
Committee on Appropriations
U. S. House of Representatives
Thursday, May 13, 1982

MR. CHAIRMAN, I appreciate the opportunity to appear before this subcommittee in support of needed appropriations for first-phase construction of the Blackfeet Community Health Facility on the Blackfeet Indian Reservation in Browning, Montana, which is located in Montana's First Congressional District, which I represent.

The need for the Blackfeet hospital is greater than ever. This year the boiler system again broke down. There are two boilers. One broke down and stayed down for over a month. During this period, the second one stopped, leaving the patients without heat for over 12 hours. It was 30 degrees below zero outside.

During the past year, movement on the Browning hospital has progressed on a number of fronts. Perhaps most important, IHS and the Tribe joined together to reduce the cost of the new hospital. It was projected that the new facility would be 80,000 square feet, with virtually all IHS functions moving from the old facility to the new space (which will be about 200 yards apart). This Spring IHS and the Tribe reviewed this situation and determined that much of the old facility could be rehabilitated and used, at a substantial cost savings to the new construction budget. IHS and the Tribe worked together to select those functions that could be carried out in the old building without disrupting patient care. For example, a patient should not be forced to walk outside for 200 yards in subzero weather to get from an examination room in the new facility to an X-ray room in the old one. Other functions such as Community health, dental maintenance, and storage will be kept in the old facility with minimal inconvenience. The result of this effort has been to decrease the new space needed by 19,000 square feet, decreasing the projected size of the new hospital from 80,000 to 61,500 square feet -- achieving what should be a substantial savings to the federal government.

The architectural and engineering firm was selected last summer, pursuant to the planning money appropriated in FY 81. (The firm, by the way, is a joint venture between a firm owned by a member of the Blackfeet Tribe and a well known firm from Great Falls, Montana.) They have completed a significant amount of the work. With the decision on the square footage completed, the firm is now beginning work on the final design. Completion of the A/E work is projected for early in 1983. IHS originally projected that the first-phase construction cost would be $9 million. However, because construction will not begin until well into FY 83, IHS projects that all that will be needed to get hospital construction going in FY 83 is $4.5 million, the amount I am requesting.

Congress has not funded a new IHS hospital construction start for three years. Yet, the number of IHS hospitals that are decaying and in desperate need of replacement -- like Browning -- grows larger every year. Congress will have to address this problem at some point, and we might as well start now becuase it is going to get more and more expensive. When the need for a new hospital at Browning was first raised in Congress in the mid-60's, the cost of the facility was projected at about $6 million. It is now more than twice that much. The same is true for the 20 or 30 other facilities on the IHS Hospital Priority List. Particularly given the relatively small amount needed to get the Browning construction underway, I urge the Committee to fund first-phase construction in the amount of $4.5 million in FY 83.

MR. CHAIRMAN, I thank you for the chance to appear before your subcommittee in support of the hospital for the Blackfeet Nation. The need for this hospital remains an urgent matter.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

LAND ACQUISITION—SANTA MONICA MOUNTAINS NATIONAL RECREATION AREA (NRA)

WITNESS

HON. ANTHONY C. BEILENSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. YATES. Mr. Beilenson, we are glad to see you. We will be glad to put your statement in the record.

We will put in Mr. Benjamin's statement following Mr. Beilenson's testimony.

Mr. BEILENSON. Thank you, Mr. Chairman, for giving me the opportunity to testify before your subcommittee in support of funding for the Santa Monica Mountains National Recreation Area.

First, I would like to express my thanks to this subcommittee for the strong support you have shown for continuing land acquisition programs in authorized but incomplete units of our National Park System, especially in light of the Reagan Administration's proposed moratorium on such land purchases. Your efforts in this regard have given hope to park supporters who are, understandably, quite discouraged by the Administration's disregard for the need for open space and resource protection.

For the second year in a row, the administration has requested no funding at all for land acquisition in the Santa Monica Mountains. Interior Secretary James Watt has repeatedly stated his view that we should stop purchasing land until we start taking care of what we already have. However, in the case of the Santa Monica Mountains NRA, delaying purchase of the land means losing the park.

The National Park Service is competing with well-financed developers in that area for the parcels of land which are both the most desirable for residential development and the most suitable for recreational use—land which it is essential for the Park Service to acquire to establish a core area of fully protected resources.

When Congress authorized $155 million for the Santa Monicas park in 1978, the timetable for acquisition was intentionally designed so that large amounts of money would be spent quickly, rather than stretched out over a long period of time, precisely because much of the most desirable land is rapidly appreciating and is under strong development pressures.

Out of that $155 million which Congress authorized to be spent through fiscal year 1983, only $41 million has been appropriated thus far. That relatively small amount has made it possible for the Park Service to acquire some key areas and begin operating programs in the mountains, but the progress made in establishing the park is far from what could have been made by now.

And unless substantial amounts of funding are forthcoming—along the lines of the $20 million recommended by the National Parks and Conservation Association—some of the more desirable parcels will be lost to residential and commercial development. The end result will be much different from the full-scale National Recreation Area envisioned when the park was authorized.

The Reagan administration's cuts are harming all of the newer, less-than-complete units of the National Park System, but the Santa Monica Mountains NRA is being particularly hard hit. Last year, as you may recall, Congress allowed only a small portion of the Administration's proposed rescission of fiscal year 1981 land acquisition funds. But the Interior Department applied that rescission to its own priority list, on which the Santa Monica Mountains NRA ranked close to the bottom. The result was that the Santa Monicas had to absorb 96 percent of the entire rescission, a reduction of $14.2 million from the amount the Park Service had originally intended to spend in the Santa Monicas alone.

The funding reductions imposed on the Santa Monica Mountains NRA are particularly counterproductive when the potential use of that park is considered. Because it is located in the midst of a large and rapidly growing population, in one of the most park-deficient metropolitan areas in the country, the Santa Monica Mountains NRA has the potential to be the most frequently visited unit of the National Park System.

In fact, even though the park is still in its infancy, its visitor usage statistics are impressive. In 1981 alone, an estimated seven million people visited areas in the Santa Monicas that have been acquired by NPS. More people visited the small area of parkland there last year than visited Yosemite, Grand Canyon, and Yellowstone National Parks combined.

Even without the large land base needed to fulfill the plans for the creation of the NRA, the Park Service has conducted a variety of outdoor education programs in cooperation with numerous local and State agencies and community organizations. Those programs include a recreation transit program, bringing over 40,000 transit-dependent people to the park; environmental education programs serving more than 8,000 youths and 26,000 school children; and an outreach program bringing 7,500 disabled persons to the park.

The Santa Monica Mountains NRA has provided, and will continue to provide if funds are forthcoming, outdoor educational and recreational opportunities for millions who would otherwise never be able to visit a national park or national recreation area.

I won't read you the rest of my statement, Mr. Chairman.

Mr. YATES. It is in the record.

Mr. BEILENSON. Thank you.

Even with this modest amount of money, the folks out there running the park have done a wonderful job. As I said, we had over seven million visitors last year alone, even with the relatively small amount of acreage we have now.

Let me emphasize again, too, if I may—because I am sure this is applicable to other park areas, Mr. Chairman—that, ironically, the cost to the taxpayers may eventually be higher if the land in the Santa Monicas is allowed to be developed for homes than if purchased now by the Federal Government for a park because Federal disaster aid to the area will greatly increase as land is developed. Wise use of our limited Federal funds therefore suggests we choose funding the park over allowing home development there.

Mr. YATES. Thank you, Mr. Beilenson.

Mr. Beilenson. Thank you very much and thank you again for all the help you have been in the past. It is very much appreciated.

Mr. Loeffler. One quick question for you.

How many acres were initially designed to be a part of this National Recreation Area and how much has the National Park Service now acquired?

Mr. Beilenson. The Park Service acreage was envisioned to be about 43,000. At the moment, we have a little in excess of six thousand acres.

Mr. Loeffler. Thank you, Mr. Chairman.

Mr. Yates. Thank you, Mr. Beilenson.

[The statement of Mr. Beilenson follows:]

STATEMENT OF CONGRESSMAN ANTHONY C. BEILENSON
BEFORE THE HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON INTERIOR
MAY 13, 1982

Mr. Chairman, I appreciate the opportunity to testify before your subcommittee in support of funding for the Santa Monica Mountains National Recreation Area (NRA).

First, I would like to express my thanks to this subcommittee for the strong support you have shown for continuing land acquisition programs in authorized but incomplete units of our national park system, especially in light of the Reagan Administration's proposed moratorium on such land purchases. Your efforts in this regard have given hope to park supporters who are, understandably, quite discouraged by the Administration's disregard for the need for open space and resource protection.

For the second year in a row, the Administration has requested no funding at all for land acquisition in the Santa Monica Mountains. Interior Secretary James Watt has repeatedly stated his view that we should stop purchasing land until we start taking care of what we already have. However, in the case of the Santa Monica Mountains NRA, delaying purchase of the land means losing the park. The National Park Service (NPS) is competing with well financed developers in that area for the parcels of land which are both the most desirable for residential development and the most suitable for recreational use--land which it is essential for the Park Service to acquire to establish a core area of fully protected resources.

When Congress authorized $155 million for the Santa Monicas park in 1978, the timetable for acquisition was intentially designed so that large amounts of money would be spent quickly, rather than stretched out over a long period of time, precisely because much of the most desirable land is rapidly appreciating and is under strong development pressures. Out of that $155 million which Congress authorized to be spent through FY 83, only $41 million has been appropriated thus far. That relatively small amount has made it possible for the Park Service to acquire some key areas and begin operating programs in the mountains, but the progress made in establishing the park is far from what could have been made by now. And unless substantial amounts of funding are forthcoming--along the lines of the $20 million recommended by the National Parks and Conservation Association--some of the more desirable parcels will be lost to residential and commercial development. The end result will be much different from the full-scale National Recreation Area envisioned when the park was authorized.

The Reagan Administration's cuts are harming all of the newer, less-than-complete units of the national park system, but the Santa Monica Mountains NRA is being particularly hard hit. Last year, as you may recall, Congress allowed only a small portion of the Administration's proposed rescission of FY 81 land acquisition funds. But the Interior Department applied that rescission to its own priority list, on which the Santa Monica Mountains NRA ranked close to the bottom. The result was that the Santa Monicas had to absorb 96% of the entire rescission, a reduction of $14.2 million from the amount the Park Service had originally intended to spend there.

The funding reductions imposed on the Santa Monica Mountains NRA are particularly counterproductive when the potential use of that park is considered. Because it is located in the midst of a large and rapidly growing population, in one of the most park-deficient metropolitan areas in the country, the Santa Monica Mountains NRA has the potential to be the most frequently visited unit of the national park system. In fact, even though the park is still in its infancy, its visitor usage statistics are impressive. In 1981 alone, an estimated seven million people visited areas in the Santa Monicas that have been acquired by NPS. More people visited the small area of parkland there last year than visited Yosemite, Grand Canyon, and Yellowstone National Parks combined.

Even without the large land base needed to fulfill the plans for the creation of the NRA, the Park Service has conducted a variety of outdoor education programs in co-operation with numerous local and state agencies and community organizations. Those programs include a recreation transit program, bringing over 40,000 transit-dependent people to the park; environmental education programs serving more than 8,000 youths and 26,000 school children; and an outreach program bringing 7,500 disabled persons to the park. The Santa Monica Mountains NRA has provided, and will continue to provide if funds are forthcoming, outdoor educational and recreational opportunities for millions who would otherwise never be able to visit a national park.

The Park Service has done an excellent job of operating and maintaining NPS lands in the Santa Monicas, but some of the newly acquired areas are in serious need of improvements to eliminate hazardous conditions there. Needed repairs include rehabilitation of water and sewer systems, fire and safety corrections in public buildings, reconstruction of roads that are now unsafe, and pollution and erosion control. Unfortunately, the President's FY 83 budget request contains neither an increase to the park's operating base for recurring maintenance of newly acquired park lands nor any Park Restoration and Improvement Program funds. I would hope that monies in both of those catagories could be added for the Santa Monicas, as a relatively small amount would provide for significant physical improvements there.

Another factor to consider in your decision about funding for the Santa Monica Mountains NRA, aside from the park's potential for visitor usage, is that, ironically, the cost to the taxpayers may be higher if the land in the Santa Monicas is developed than if it is purchased as a park. Because fires, floods, and mudslides occur regularly in the mountains, federal disaster aid to the area will greatly increase as the land is developed and an increasing number of homeowners become the victims of these natural disasters. Wise use of our limited federal funds therefore suggests that we choose funding the park over development, and that we purchase the land as quickly as possible before its cost increases further and the land becomes prohibitively expensive.

Pressure to reduce funding for discretionary programs has probably never been so great as it is today. But for the Santa Monicas, as for many other worthwhile programs under your jurisdiction, there are no real alternatives to federal funding.

[COMMITTEE NOTE.—Subsequent to the hearing, Mr. Beilenson submitted the following letter for the record.]

ANTHONY C. BEILENSON
23RD DISTRICT, CALIFORNIA

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May 26, 1982

Honorable Sidney R. Yates, Chairman
Subcommittee on Interior
and Related Agencies
Committee on Appropriations
B-308 Rayburn HOB

Dear Mr. ~~Chairman~~: Sid —

In response to Representative Loeffler's question regarding the acreage of acquired land in the Santa Monica Mountains National Recreation Area (SMMNRA), which he asked when I testified before your subcommittee on May 13, I would like to submit a more precise answer than I gave at that time.

The boundaries of the SMMNRA, as authorized by Congress, incorporate 150,000 acres of mountain and seashore area, but only about half of that area has been identified as land to be owned by public agencies. The National Park Service's (NPS) June 1980 land acquisition plan for the SMMNRA calls for NPS to acquire 43,000 acres and, as of this date, that agency has acquired 6,024 acres. Combined with the state and county parks and beaches within the SMMNRA boundaries, the amount of land now in public ownership is 44,579 acres--a little more than half of the total amount of land needed to fulfill NPS's plans for the area.

I would very much appreciate your inclusion of this information at the appropriate place in the record of your subcommittee's hearings on FY 83 appropriations.

Sincerely,

Tony

ANTHONY C. BEILENSON
Member of Congress

ACB/mrj

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

INDIANA DUNES NATIONAL LAKESHORE

WITNESS

HON. ADAM BENJAMIN, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. YATES. Now we will insert into the record, the statement of Adam Benjamin, in the form of a letter addressed to me, as Interior Subcommittee Chairman.

[The statement of Mr. Benjamin follows:]

COMMITTEES:
BUDGET

APPROPRIATIONS
SUBCOMMITTEES:
CHAIRMAN, TRANSPORTATION
ENERGY AND WATER DEVELOPMENT
LEGISLATIVE BRANCH

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EXECUTIVE COMMITTEE

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April 14, 1982

The Honorable Sidney Yates
Chairman
Subcommittee on Interior
B308 Rayburn
Washington, D.C. 20515

Dear Mr. Chairman:

I write to respectfully request your support and inclusion of the following monies for the Indiana Dunes National Lakeshore in the Fiscal Year 1983 Interior Appropriations bill:

1) $250,000 for additional project planning funds for the west unit access road. A new entrance for the west unit of the Indiana Dunes National Lakeshore will be established by extending Indiana 51 north into the west unit area and thus connecting with the existing West Beach access road.

2) $200,000 for advanced planning of the west unit transit terminal and information center in the southern Tolleston area of the park's west unit. This facility complements the west unit access road.

3) $250,000 for additional project planning funds for the east unit transit information center. The main development in the east unit of the Lakeshore will be the transit terminal and information center located at the intersection of Woodlawn Avenue and U.S. Highway 12. This facility will provide an 800-car parking area, shuttle transit terminal and a South Shore railroad stop.

4) $75,000 for additional project planning funds for the design and construction of the Paul H. Douglas Center for Environmental Education.

5) $350,000 for construction of a sewer line to connect the Bailly administrative and interpretive areas of the park to the Town of Porter sewer system.

6) $1.4 million for land acquisition. This appropriation would complete the acquisition of all vacant lands within the Lakeshore and would allow the acquisition of improved properties that were considered hardship.

The Honorable Sidney Yates
Page 2
April 14, 1982

7) $50,000 for construction of interpretive exhibits for the West Beach contact station and bathhouse.

8) $300,000 for planning for the proposed Gary/Marquette Park Marina, including a Development Concept Plan and an environmental assessment. These are key steps in the development of this vital marina and will add immensely to the continued growth of the Indiana Dunes National Lakeshore.

Your past support and that of the Subcommittee for the Indiana Dunes National Lakeshore has been vital to the development of this recreation area. Your continued support is necessary for the growth of the park and the accommodation of the ever-increasing number of visitors.

I would be pleased to discuss this matter with you should you have any questions. Your assistance and cooperation are greatly appreciated.

Sincerely,

Adam

Adam Benjamin Jr.
Member of Congress

AB:bz

THURSDAY, MAY 13, 1982.

VARIOUS SUBJECTS

WITNESS

HON. MORRIS K. UDALL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF ARIZONA

Mr. YATES. Mr. Udall.

We are pleased to have you.

Mr. UDALL. It is I who is honored, Mr. Chairman.

Mr. YATES. All of us are honored.

Mr. UDALL. I have a statement which may not have arrived yet. If so, they will be disciplined; salaries will be cut, heads will roll.

Mr. YATES. Yes, understandably. I somehow feel it was like the time Abraham Lincoln was visited by two hatters from Connecticut. He received both their hats and each of them looked to him for approbation. He didn't know which to perfer. He said, You gentlement mutually excel each other.

So today you and I are mutually honoring each other.

Mr. UDALL. I can't top that one.

Mr. YATES. Well, try.

Mr. UDALL. I won't even try.

Mr. LOEFFLER. Mr. Chairman, something is wrong with our chairman today.

Mr. YATES. Well, no, he usually needs the press.

Mr. UDALL. I have that worn out story from Sid Yates where Yassar Arafat visits the fortune teller. She says, "I see you will die on a Jewish holiday." He says, "Very interesting. Which of the Jewish holidays?" She says, "It does not matter. Any day you die will be a Jewish holiday."

Mr. YATES. That is an old one. Originally intended for Adolph Hitler.

Mr. UDALL. I got it from you years ago.

Mr. YATES. I know. That was when Adolf Hitler was appropriate.

Mr. UDALL. We will switch it around. I don't know who will be next. Let me go quickly.

Mr. YATES. Your statements are a part of the record.

Mr. UDALL. I am here today to counsel this learned subcommittee on what is good for the country and the programs we administer. I would like to lay out some priorities of mine.

First, I want to emphasize my continuing interest in the Land and Water Conservation Fund. And our whole committee agrees, I think, that this is one of our strongest desires. Once again, the Administration has assaulted us on this and will try to turn it into a refurbishment and park improvements program which undoubtedly is needed. But I think improvements in the parks ought to have to compete with other priorities.

We strongly suggest keeping the Land and Water Conservation Fund—the Federal share we recommend be set at $196 million. Our recommendation is that we try $80 million for the stateside of this. Members ought to get a printout of land and water fund projects if you are interested in this thing.

Mr. YATES. How can we not be interested in it?

Mr. Udall. Well, I am glad to hear that. Good. This is a printout of all the stateside projects in our little State of Arizona. It is over the life, 20 years or so.

Mr. Yates. Do you have a printout like that for each of the States?

Mr. Udall. I should have brought one. I knew Loeffler would be curious.

Mr. Yates. Well, he is always curious. This is the first time I have seen that printout.

Mr. Udall. It's an incredible collection of 20 years, little pools, vest pocket parks, trails and this and that.

Mr. Yates. How much money is incorporated into this little printout?

Mr. Udall. I don't see the total there. But you can do an incredible amount of good——

Mr. Yates. This is what Arizona has received since the beginning of the program.

Mr. Udall. Exactly.

Mr. Yates. This does not show how much more you want. All this shows is that Arizona received $38 million.

Mr. Udall. I am just trying to demonstrate that with $38 million you can change the face of the whole State. You can give little communities parks. You can have trails, you can have all sorts of swimming pools and things. It has done an incredible amount of good, the $38 million over the life of the program. We would like to see it continued. I think you would be very impressed to get either Illinois or your district alone and see what has been done there.

Mr. Yates. You need central Arizona to give some of these parks water now, don't you?

Mr. Udall. This is right. The Southern Arizona Water Rights Settlement Act which passed the House in final form yesterday, and probably will go to the President from the Senate today is a very important bill. It sets up a framework for an agreement with the Papago Indians to finally resolve southern Arizona's conflicting water rights problems. They want to develop their land near Tucson and they don't have any money to do it.

Part of this settlement is a $15 million trust fund which would remain forever. The bill says "Don't spend the corpus, just spend the interest to let the Papagos develop their water resources and improve themselves commercially, agriculturally and otherwise." That is a key part of the settlement, and I hope you can see fit to appropriate the funds for the trust fund.

I go into more detail on this in my prepared statement. I emphasize only interest on that fund would be appropriate.

On the Office of Surface Mining, throughout the years since we enacted this bill, this subcommittee has been an invaluable defender of the program. Year after year you have detailed scrutiny of the OSM budget.

You have actually made the difference in providing strong, effective enforcement of the act. It is crucial to the health of the environment and future of the coal industry itself. The Administration has been far too optimistic about the speed with which the State programs can be approved and the effect of reorganization on OSM's budget.

I am really concerned about the Administration's deemphasis of three areas. The level of Federal inspectors may not be enough to carry out even the Administration's own plan for oversight of State programs. We are at a critical point where the industry has to know there are going to be inspectors coming around. Most have said all right, we will comply. We want to save the land. We will put it back. We desperately need, at this critical point, enough money to see that the basic minimum backbone Federal oversight is there.

Secondly, once again, the Administration is short-changing the Abandoned Mine Land Fund. This was going to be a program where industry would pay a $.25 fee per ton of coal, put it in the fund, and over 40 or 50 years it would be drawn on to do something about the abandoned and orphaned lands. I think it would be exceedingly unwise to let this earmarked fund, paid for by that 25 cents a ton, to let it lapse. Half the fund, to remind you, is for Federal projects and OSM has announced it intends to undertake no new high priority projects in 1983 despite the fact OSM itself defines high priority projects as those which involve active hazards to public health and safety.

Third, the Administration proposes no new projects in the Rural Abandoned Mines Program. We were going to work with the Soil Conservation Service, the idea being we would take some of this tax on coal and actually work with farmers and communities and turn some of this rural land back into valuable and productive land. We have had protests from soil conservation people all over the country who feel this meets a significant need in a cost-effective way.

The most critical task, finally, will be the massive permit review that has to be undertaken by States who will finally be granted full regulatory authority. That is coming on very well. We will have most of the States this year in business. But you have to move from a Federal permit to the State permit. This takes additional money on a one-shot basis.

Mr. YATES. Are you talking about the Office of Strip Mining?

Mr. UDALL. Yes, that was my last item.

In a State like Kentucky, there are 5,000 mines, an average of 150 permits per week that the State must reissue in this repermitting process. We urge you to closely examine the budget in this regard, and especially the impact of repermitting needs on the two technical service centers in Pittsburgh and Denver the Administration is calling for.

A few quickies on Indian affairs. Let me compliment the chairman and the subcommittee again on what you have done over the years with our Indian people. It's kind of an endless problem. There are always good projects on all the reservations. I wanted to talk a little bit about the priorities and where we would put money in these times of difficult financing. I would recommend to you again the March 15, 1982, report of our committee to the Budget Committee.

I am sure you have seen our recommedations on Indian budget items. I would just mention two or three. I would urge favorable consideration for funding for new Indian housing initiatives proposed in H.R. 5988, which my committee missed passing out yesterday but we will do it early next week and we are stuck with a budget problem because of it.

We held extensive hearings with all the Indian groups over the last year and a half, Congressman Bereuter from Nebraska and myself and others. We found the one thing where a little money really might make a difference would be in Indian housing. We decided that was where we would put our chips on any new initiative if there is to be any money for that.

I think we can get final action on this. We have had this tragic situation you have seen and heard where one agency has housing, another sewers, and we end up with abandoned and vandalized homes when they are ready to be occupied if they just had sewer connections and so on.

I would like to reiterate the need for fiscal year 1983 funding for IHS sanitation responsibilities. That is what I am just talking about. We have sent you a separate letter on that.

Good old Ganado Public School District construction money. As the Chairman knows, this is on the Navajo reservation. They have got the land to build the school, the total cost of which is $14 million. They need $4 million of that in fiscal year 1983. I understand these funds can be made available under Section 204, Public Law 95–628.

Finally, on Indians it doesn't directly relate to the BIA budget but has an impact on Indian tribes. The Fish and Wildlife Service is now planning to close 31 fish hatcheries around the country. I suspect the White House will hear from fishermen before too long on this one if it should stick.

The White Mountain Apaches were in my office the other day. They are a prosperous tribe compared to others, hard-working. One of the things they have had is fishing streams in the White Mountains within 200 miles of Phoenix and Tucson. They don't know where they are going to get the money to keep those hatcheries open. This one is a real mainstay of the economy on that reservation as well as providing trout and other fish for many streams throughout the Southwest.

The Williams Creek Fish Hatchery in Arizona is the one I mentioned, will impact on the Alchesay Fish Hatchery, two of these in an ideal area, the higher part of Arizona, forest areas, to grow efficiently the trout and other fish needed for the various Federal programs.

The closure will have three devastating results. First, the White Mountain Apache Tribe will suffer by losing around 80 jobs and approximately $4 million in gross revenues. Fishermen from Arizona and other States will lose the opportunity of the fine recreational fishing which is now available in Arizona and which is dependent upon these hatcheries.

Finally, the local economies on the reservation and in surrounding areas will suffer for lack of these fishing opportunities. Mr. Chairman, I urge the committee to reject the Administration's proposal to close these hatcheries and to provide adequate funding to continue their beneficial use.

We have the closing pragraph which thanks you and expresses our appreciation. It says, you are one of the great instrumentalities of this Congress.

[The statement of Mr. Udall follows:]

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES

STATEMENT BY THE HON. MORRIS K. UDALL

Wednesday, May 13, 1982

Mr. Chairman, it is a pleasure to come before you today to discuss the Fiscal Year 1983 appropriations bill for the Department of the Interior and related agencies. I want you to know how deeply I appreciate the difficulties you face in the current extraordinary budget environment as you sort through the many worthwhile funding requests that you have heard and will be hearing from Members and other parties. I pledge to you my support for your efforts.

Today, I simply want to draw your attention to what I think are some especially important priorities in this funding bill.

First, I would like to underscore my continuing personal interest and, I believe, the continuing interest of the Interior and Insular Affairs Committee in adequate funding for the Land and Water Conservation Fund. Once again, the Administration has resumed its assault on this historic fund which has not only provided the nation with some of its most significant federal park and recreation lands, but also has served as a model of federal-state cooperation in providing needed outdoor recreational opportunities in countless cities and towns across America.

Our committee has examined the Land and Water Conservation Fund very carefully. We have recommended that the federal side be funded at $196 million -- a prudent figure we think is necessary to cover court awards and meet pressing acquisition needs such as instances where imminent environmental damage or loss of limited purchase options are involved.

In addition, we have recommended that $80 million be provided in matching grants to the states for local projects. Last year, no funds were provided for this program, in which the federal government remiburses states for half the costs of outdoor recreation projects that the states and localities themselves have determined are most important to them. The infrastructure necessary to maintain this system of expanding close-to-home recreational opportunities cannot survive successive years of zero funding. I hope that, at the least, the Subcommittee will provide some funds on the state side to signal Congress' intent not to allow this model effort to collapse.

In another area, I would also like to request that an appropriation of $15 million be approved to establish a trust fund as authorized in H.R. 5118, the Southern Arizona Water Rights Settlement Act.

H.R. 5118 embodies a voluntary settlement of the water rights claims of the Papago Indian Tribe to waters from basins underlying Tucson and the surrounding area. These claims are currently the basis for a lawsuit that has been pending for more than seven years, and which clouds the title of almost 1800 named defendants.

The settlement expresses a meeting of the minds of the Tribe, the State of Arizona, the City of Tucson and major mining and agricultural interests in southern Arizona and provides an annual, guaranteed supply of water to the Papago Indians. An integral part of the settlement is the trust fund, the income from which is to be distributed to the Tribe to use for operation and maintenance of irrigation systems, subjugation of land for irrigation, and development of the water resources provided by the Act. The corpus of the $15 million trust fund is not distributed.

As the committee report notes, it is the intent and the hope of the committee that the interest from the trust fund will be appropriated on a permanent basis and not year by year.

Next, I would like to share with you my concerns about funding for the Office of Surface Mining. Throughout the years since enactment of the Surface Mining Control and Reclamation Act, Chairman Yates and his subcommittee have been invaluable defenders of this program. Year after year, your detailed scrutiny of OSM budget proposals have made the difference in provding strong and effective enforcement of this Act, which is so crucial both to the health, environment and the future of the coal industry itself.

In the past, the Adminstration has made far too optimistic assumptions about the speed with which state programs can be approved, the effect of reorganization proposals and other measures with potentially far-reaching impacts on the budget. I am concerned that this is again the case in Fiscal Year 1983 and urge the subcommittee to examine carefully the allocation of monies within the overall $159 million budget. In particular, I am concerned about the Administration's de-emphasis of three areas of OSM operation. First, I fear that the level of federal inspectors may not be enough to carry out even the Administration's own plan for federal oversight of the state programs, a plan that could hardly be described as overly aggressive. This subcommittee has been especially diligent in this regard and I urge you to maintain that vigilance.

Second, I am disturbed that once again this Administration is short changing the Abandoned Mine Land Fund. Quite simply, this very worthwhile effort to repair the damage and reduce the health and safety threats of previous bad mining practices is being squeezed to help balance the budget. This is despite the fact that the fund is paid for through a 25 cents per ton fee on coal production.

As you know, half the fund is designated for a federal program. OSM has announced that it intends to undertake no new high priority projects in FY 1983 despite the fact that OSM itself defines high priority projects as "those which involve active hazards to public health and safety."

Even more surprisingly, the Administration proposes no new projects in the Rural Abandoned Mine Program (RAMP) in FY 83 and intends to phase out RAMP completely by FY 86. OSM's argument that it intends to transfer responsibility for RAMP functions to the states is spurious because it proposes no parallel transfer of funding authority and because it ignores the kinds of professional expertise that is generally available only through the Soil Conservation Service. I have been inundated with protests from Soil Conservation Districts across the country who have convinced me that RAMP meets a significant need in a cost-effective manner.

Furthermore, the Soil Conservation Service provides the assistance expertise needed to carry out these projects at a cost that is estimated to be 25 to 50 percent cheaper than on the private market. I am told that interest in RAMP runs quite high as expressed by the fact that more than 1,800 high priority applications for RAMP assistance have been received.

Finally, it is apparent to me that the most critical task facing the surface mining reclamation program in FY 1983 will be the massive permit review that must be undertaken by states who will finally be granted full regulatory authority. The law requires that upon transfer of regulatory authority, the states must repremit existing surface mining operations with 8 months. Obviously, this is a very important, complicated and time consuming step in the history of the program. The magnitude of this taks is evident in states like Kentucky, which must repermit more than 5,000 mines, an average of 150 permits per week. I urge the subcommittee to closely examine the budgets of the two technical service centers in Pittsburgh, Pennsylvania, and Denver, Colorado to guarantee that OSM will be able to provide the states the very extensive assistance they will need in this effort.

INDIAN AFFAIRS

Finally, Mr. Chairman, I would like to comment on certain budget items relating to Indian affairs. The budget policies of this Administration have impacted most severely on the Indian tribes and their members. Where unemployment on some Indian reservations used to run at a mere 30-50%, it now has reached 70-80%. When 10% national unemployment becomes a subject for national headlines, it is hard to comprehend this kind of unemployment.

Mr. Chairman, I would first like to again recommend to you the March 15, 1982, report of the Interior Committee to the Budget Committee. I am sure your Subcommittee has received a copy of our recommendations on Indian budget items. In addition, I would like to specifically mention the following:

1. Within the BIA's budget, I would like to ask the Subcommittee's favorable consideration to the funding which will be needed for the new Indian housing initiative proposed in H.R. 5988, the Indian Housing Act of 1982. We have not yet completed Committee markup on the bill and final House action on it may depend to some extent on the fate of the HUD Indian housing project. As soon as we complete Committee markup of the bill, I will see that your Committee is provided information on authorization levels.
2. I would also like to reiterate the need for fiscal year 1983 funding for IHS's sanitation responsibilities. By separate letter, I have made some recommendations on FY 1982 supplemental needs. If no money for this purpose is made available

as recommended by the Administration, 1,000 to 2,000 HUD homes will again be without needed water and sewage facilities. I urge the Subcommittee to provide adequate funding for this purpose both in the supplemental and in the FY 1983 bill.

3. I would also like to request that the Subcommittee consider the Ganado Public School District's request for school construction money. This school is located on the Navajo Reservation and has secured land to build the much-needed school. The total cost of the school is $14,000,000, but, for FY 83, they need $4,000,000. I understand that these funds can be made available pursuant to section 204 of Public Law 93-638.

4. The final item I would like to mention does not directly relate to the BIA budget, but does have an impact on Indian tribes and the BIA's operation. I understand that the Fish and Wildlife Service is planning to close 31 fish hatcheries around the country. These hatcheries provide fish for Indian tribes, D.O.D installations, FWS lands, state fish and game agencies, and other groups.

   I am particularly concerned about the proposed closure of the Williams Creek Fish Hatchery in Arizona. The closure of Williams Creek will also impact on the operation of Alchesay National Fish Hatchery in Arizona. Alchesay is a rearing station. It cannot be used to hatch and grow fish. This is done at Williams Creek.

Mr. Chairman, the closure of Williams Creek will have three devastating results. First, the White Mountain Apache tribe will suffer by losing around 80 jobs and approximately $4,000,000 in gross revenues. Fishermen from Arizona and other states will lose the opportunity of the fine recreational fishing which is now available in Arizona and which is dependent upon these hatcheries. Finally, the local economies on the reservation and in surrounding areas will suffer for lack of these fishing opportunities. Mr. Chairman, I urge the Committee to reject the Administration's proposal to close these hatcheries and to provide adequate funding to continue their beneficial use.

Mr. Chairman, I want to express my appreciation for this opportunity to once again come before your Subcommittee to testify on funding items falling within the jurisdiction of my Committee.

Mr. YATES. We are very pleased to have that last paragraph.

Mr. Loeffler, do you have any questions of the distinguished chairman?

Mr. LOEFFLER. No, sir.

Mr. YATES. Thank you very much.

Mr. UDALL. Thank you. We will get you those statements.

Mr. YATES. That is all right.

Mr. UDALL. You may need something to get you to sleep. These are pretty good for insomnia if you take home a stack of these statements.

Mr. YATES. Really?

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

GARFIELD GRAVE SITE AND MONUMENT, OHIO

WITNESS

HON. DENNIS E. ECKART, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. YATES. Mr. Eckart.

Mr. ECKART. Thank you, Mr. Chairman. I appreciate your allowing me to insert my statement in the record. I shall speak just very briefly to the issue at hand. President James A. Garfield is buried in a monument in the City of Cleveland. About 60 year ago, I believe, a then very large amount of money was set aside by the heirs, $100,000, proceeds from the investment of which would be used for maintenance and operation of the monument.

Obviously, that is nowhere near adequate. Currently the monument is in a great state of disrepair. Its walls are crumbling, its windows ill-fitting. Perhaps the committee could harvest some of the grass and trees that grow at the top of the monument now it is in such a state of disrepair.

The vandals have removed the copper clad exterior portions of the monument, removed the lightning rods. Police have had to be summoned on several occasions to avoid further desecration to the interior of the monument of our President.

Mr. Chairman, my office, when first contacted about this, discovered that the Federal Government cares for many of our Presidential grave sites: John Adams, Andrew Jackson, Lyndon Johnson, Grant, Hoover, Roosevelt, Taft, Eisenhower, Truman. The list goes on and on. In this instance, a man who was barely President, shot just a few months after he assumed office; a man who was truly a very great Ohioan and a U.S. Senator; a man who was an eight-term Member of the Congress and who evoked tremendous support at the time of his Presidency late in the 19th Century now has a monument in almost total disrepair.

Its sandstone facing, as you know, is extremely susceptible to pollution and the elements. The Lawnfield Lakeview Cemetery Association, a nonprofit association which has cared for the monument since the 1920's, recently commissioned an architectural and engineering study to assess how much it would cost to restore the integrity of the monument, to keep out the water, to keep out the vandals and provide for some very simple, basic refurbishing to the exterior.

I would point out that beautiful frescoes painted on the inside of the monument have been damaged as a result of water leaking through. The cost from the engineering firm, Mr. Chairman, was a little under $500,000 to seal the monument, to repair the roof, seal the windows and provide basic structural repairs.

This is a very small investment, Mr. Chairman. It is a single, one-time appropriation. The Lakeview Cemetery Association is going to attempt to continue to maintain it on an ongoing basis itself. But they certainly do not have anything near the financial wherewithal to provide for this major structural repair. The engineers reported that if renovation is not undertaken in the next several years, the monument may in fact have to be closed to the public.

Mr. YATES. Thank you very much, Mr. Eckart. Thank you for bringing it to our attention.

Mr. ECKART. Thank you, Mr. Chairman.

[The statement of Mr. Eckart follows:]

TESTIMONY OF CONGRESSMAN DENNIS ECKART

MAY 13, 1982

MR. CHAIRMAN:

THIS NATION COMMEMORATES ITS PRESIDENTS BY SCORES OF SITES, RANGING FROM THE MODEST TO THE PALATIAL AND INCLUDING BIRTHPLACES, RESIDENCES, INAUGURAL BUILDINGS AND TOMBS. VISITORS TO THESE SITES CAN ENHANCE THEIR UNDERSTANDING OF THE DISTINGUISHED GROUP OF MEN WHO HAVE LED OUR NATION AND CAN LEARN MUCH ABOUT THE FORMER PRESIDENTS WAYS OF LIFE; CITIES AND REGIONS IN WHICH THEY WERE BORN OR RESIDED; ERAS IN WHICH THEY LIVED; AND THE SOCIAL, ECONOMIC AND INTELLECTUAL INFLUENCES THAT MOLDED THEM.

SOME PRESIDENTS HAVE SEVERAL MEMORIALS STANDING IN THEIR HONOR, AND MANY OF THESE SITES ARE MAINTAINED BY THE FEDERAL GOVERNMENT. OTHERS, HOWEVER, HAVE NEVER BEEN ASSIGNED TO ANY AGENCY'S CARE AND, AS A RESULT, HAVE BECOME RUN DOWN AND IN NEED OF RENOVATION.

THE JAMES ABRAM GARFIELD MONUMENT IS ONE SUCH CASE. OUR 180 FOOT MEMORIAL TO THIS 19TH CENTURY LEADER HAS WEEDS SPROUTING FROM CRACKS IN ITS SANDSTONE TOWER. THE STRUCTURE NEEDS TO BE SEALED OFF FROM THE ELEMENTS, PLASTER IS FALLING OFF IN SECTIONS AND THE SANDSTONE EXTERIOR WALLS ARE SPLITTING. THIEVES HAVE REMOVED COPPER LIGHTNING RODS AND GUTTERS FROM THE MONUMENT.

You may remember James Garfield as the President who didn't have time to be President. Inaugurated in March of 1881, the Ohioan was shot two days before Independence day and died in September of the same year. This man was a brilliant Union general during the Civil War, a congressman for 17 years, elected to the U.S. Senate, a teacher, President of Hiram College, where he worked as a janitor as a student, and a lawyer. When President Garfield died, the country mourned. About 250,000 people passed by his funeral bier while it lay in state at Public Square in Cleveland, when that city's population was only 150,000.

Garfield was one of the best military, political and academic figures to come out of Ohio. His gravesite monument there should be one of the top dozen places to see in Northern Ohio. And yet, if you visit the memorial on a rainy day, you run the risk of being drizzled on through the leaky, unpredictable roof.

I think James Garfield deserves better than that. And, his descendants, his birthplace, and the country deserve a dignified, properly repaired and maintained memorial by which to remember the last of this country's log cabin presidents.

The Lakeview Cemetery Association, which has cared for the monument since 1923, simply does not have the estimated $500,000 required to make the necessary improvements. The money in the monument fund is only enough to operate it and provide basic maintenance.

I feel that it can be effectively argued that presidential monuments serve the nation and should fall under Federal care. It is interesting to note that the Federal government is already maintaining and funding the care of most presidential gravesites. The burial grounds of John Adams, John Quincy Adams, Andrew Jackson, Lyndon Johnson, Ulysses Grant, Herbert Hoover and Franklin Roosevelt are under the jurisdiction of the National Park Service. The Department of Defense looks after the gravesites of William Taft and Jack Kennedy; Zachary Taylor's tomb is under the watchful eye of the Veterans' Administration; and the General Services Administration attends to the burial sites of Dwight Eisenhower and Harry Truman.

While I can understand that a perfect state of equity would be impossible to achieve, it seems to me to be grossly unfair that, while some Presidential gravesites are maintained with historical integrity by the Federal government, the Garfield Monument has been left to deteriorate.

Mr. Chairman, I hope that you would give this project your careful consideration. I feel there is a legitimate federal interest here and would appreciate any assistance the Committee could provide. Thank you for your time and attention.

Mr. **Yates.** Congressman Stanton has also joined in your request by writing us a letter. That may be made a part of the record.

Mr. **Eckart.** Thank you.

[The letter of Mr. Stanton follows:]

J. WILLIAM STANTON
11th District, Ohio

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Washington, D.C. 20515
Phone: Area Code 202, 225-5306

COMMITTEE ON
BANKING, FINANCE AND
URBAN AFFAIRS

COMMITTEE ON
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May 5, 1982

The Honorable Sidney R. Yates
Chairman
Subcommittee on Interior
House Appropriations Committee
B-308 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to request that the Subcommittee include $205,000 in the FY83 Interior Appropriations bill for the final acquisition of "Lawnfield," the home of President James A. Garfield in Mentor, Ohio.

In December, 1980, Congressional and Presidential action was completed to authorize the acquisition of the James A. Garfield National Historic Site by the National Park Service.

The final step now is the appropriation of $205,000 to insure funding. Lawnfield is a national historic site, the home of our 20th President, the centennial of whose term in office is being observed at this time. Lawnfield was also the home of James R. Garfield, Secretary of the Interior in the Administration of Theodore Roosevelt.

The purchase amount is relatively small among Federal expenditures and, for a more personal reason, I will not be seeking re-election this November and would feel very proud, as well as rewarded, to see this acquisition finalized prior to the adjournment of the 97th Congress.

Finally, I ask that this letter be inserted in the record as testimony before your Subcommittee at your May 13, 1983 hearing.

I greatly appreciate your help in this regard.

Sincerely,

Bill-

J. William Stanton

JWS:lbm
cc: Congressman Silvio Conte
Congressman Joe McDade
Congressman Ralph Regula

THURSDAY, MAY 13, 1982.

VARIOUS SUBJECTS

WITNESS

HON. JOHN F. SEIBERLING, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. YATES. Mr. Seiberling.

Mr. SEIBERLING. Thank you, Mr. Chairman.

Mr. YATES. Your statement will be made a part of the record.

Mr. SEIBERLING. Thank you.

I would like to hit the highlights of my statement as Chairman of the Public Lands and National Parks Subcommittee and also as the Representative from the 14th District of Ohio.

Mr. Chairman, I thank you for this opportunity. I would like to point out that the Subcommittee on Public Lands and National Parks as well as the full Interior Committee made recommendations to your subcommittee and the Budget Committee for the 1983 budget on matters coming under the subcommittee's jurisdiction.

I would just like to highlight some. On the Land and Water Conservation Fund, the Administration has proposed drastic cuts in the Fund with a view to really eliminating the matching grants to the States. Last year, we did not recommend any funds for this because there was a sufficient backlog of unappropriated but unobligated funds.

But that backlog is gone. The States have made, in many cases, commitments to proceed with land acquisition programs. There are landowners who are in limbo as a result. We felt it would be desirable to try to at least continue this fund at a modest level.

Our recommendation was for the total Land and Water Conservation Fund, $196 million for the Federal side; $150 million for the Park Service, $27 million for the Forest Service, $3 million for BLM, $16 milion for Fish and Wildlife. We also recommended an additional amount for State grants, $80 million.

On the Youth Conservation Corps, the Administration, of course, wants to terminate this program. There was almost no funding last year for it, and the Administration has requested none in the fiscal 1983 budget. In our recommendations, the Interior Committee urged continuing this at $50 million with the understanding that, if Congress enacts H.R. 4861 to create the New American Conservation Corps, the funds would be made available to begin implementing the new program. The committee was very enthusiastic about it. That bill has been reported out of our committee as well as the Education and Labor Committee. I hope it will be enacted this year.

For the Historic Preservation Fund, the Administration wants to eliminate this program also. We proposed a minimum of $30 million for the Historic Preservation Fund, including a grant of $4.7 million for the National Trust to maintain it at the 1982 level.

We had testimony, Mr. Chairman, from the Park Service and others that indicated that if we wiped out this fund, the additional cost to the Park Service for taking over the State functions and processing requests for registration and certification of historic sites would almost equal the amount of the total program at the $30 million level.

Urban Park and Recreation Program: Rather than abandon this program as the Administration wishes to do, we propose maintaining it at the 1982 service level of $8,230,000 which we think will provide meaningful help to cities to restore and rehabilitate parks in our congested urban areas.

National Park Service budget: We believe it is misleading. Over half of the proposed increases for park operations would be merely to cover the 1981 pay increases. Many key programs are targeted for major cuts. Further, the Administration has stressed its park restoration and improvement program which would fund repair of physical facilities but ignore the critical resource itself.

In the hearings we had in February as well as the 1981 state of the parks report, it was brought out that the threats to the resource itself are greater than the problems of maintenance and threats to the physical facilities. So certainly they should be given at least equal attention.

Therefore, the committee urges strongly a funding level of at least $17 million to provide for the highest priority natural and cultural projects identified by the Park Service as a result of their 1980 report. And our 1980 hearings confirmed that these problems are still in existence except they are worse in the last 2 years.

We think funds for these programs may be offset by reductions from lower priority park restoration and improvement projects.

Bureau of Land Management: The Administration's budget request would substantially increase activities for energy development and other extractive uses but at the same time would cut funds for doing the baseline surveys, the environmental analyses and other things necessary to protect the resources from the additional development activities.

Therefore, we urge an increase of $2.3 million additional funds for soil, water and air studies and inventories, restoration of $1.5 million for planning and data management as well as an increase of $900,000 for the congressionally mandated study of wild horses and burros.

As you probably know, the increasing populations of wild horses and burros are creating great damage in certain parts of the public lands to the land as well as to the wildlife. Yet we are stymied in trying to deal with the problem until we have the National Academy of Science study, which Congress required to be ready at the end of the year. Unfortunately, because of the funding it does not look as if they will be able to do the job justice. We think funding must be provided for that purpose.

On the Advisory Council on Historic Preservation, the Administration's request would reduce the funding $632,000 which is 15 full-time equivalent positions below that needed to maintain the 1982 program level. Because the Council's work has grown due to the historic preservation laws the committee feels it should be restored to the base level of $1,605,000, which includes 44 FTE's.

Finally, the Pennsylvania Avenue Development Corporation: The Administration has proposed cuts in the Corporation's funds and employment ceiling at a time when the work of the Corporation is less than half complete. The Eastern Sector has hardly begun east of the FBI building. The Interior Committee recommended an increase of $1.5 million to restore the staffing levels and begin implementation of the housing and historic preservation goals in that area.

Last week, the committee approved and this week will report legislation to increase the Corporation's borrowing authority to $120 million as requested by the Administration and to reauthorize appropriations for operating and administrative expenses.

As a result of concern expressed about the need for more congressional oversight of the Corporation's activities, several reporting requirements were added to our authorizing legislation. Your committee is particularly urged to also scrutinize closely with an eye to substantially reducing the $6.8 million for development of a paved plaza at Market Square which is being considered as the site of a proposed Navy Memorial Arch and band shell. We had testimony which confirmed my gut feeling that that would be a monstrosity and I so conveyed that view to the Corporation.

The proposal, in any case, would have a major impact on the scale and historical character of the surrounding areas and a paved plaza would require much more capital outlay than the original plan which was for greenery and that sort of thing.

Because of the concerns we have found in this proposal and others that would have a significant effect on the avenue without requiring further review by the committee, we added a provision to the pending legislation requiring the corporation to provide us with 30 days' notice of any significant changes in the plan that relate to housing, major structures, historic preservation, office space, or retail uses in the development area.

And the legislation also requires within 6 months a report on the Corporation's anticipated annual funding needs through 1990 and an annual report relating to historic preservation.

Mr. Chairman, that completes my comments on our recommendations as a committee.

Mr. YATES. Good.

Mr. SEIBERLING. I have a prepared statement on the Cuyahoga National Recreation Area.

Mr. YATES. That may go into the record, too.

Mr. SEIBERLING. I understand you heard testimony during your February hearings on the implementation of the land acquisition plans in the Cuyahoga, laying blame for all sorts of community ills on the land acquisition conducted by the National Park Service.

In addition, I was personally criticized in that testimony for "not properly exercising my oversight responsibilities" since the area was created. I think I would like to correct the record. I won't go into all the details. They are in the prepared statement.

Let me say a couple things I think are of particular concern to you. The statement was made, "the total land acquisition costs will run as high as $165 million." That is nonsense, Mr. Chairman. My information is that acquisition can be substantially completed within the next 4 years if the park can be assured of $5 million annually.

That is an additional $20 million. The authorization including the authorization under Public Law 96-42 is sufficient to cover that. That would bring the total land acquisition costs in at about $90 million and would protect all those park resources for full utilization by the visiting public.

Several priority areas are to be acquired in fiscal year 1983 in Cuyahoga if sufficient appropriations become available. I am particularly concerned about some landowners who have held onto their property for several years awaiting acquisition which was originally scheduled several years ago.

While the need for land acquisition funds is urgent, and I appreciate the fiscal constraints that your subcommittee and all of us are under, our subcommittee has recommended $5 million for land acquisition, for Cuyahoga in fiscal year 1983. I believe this amount would allow for purchase of those urgently needed properties without overstepping the bounds of budgetary restraint.

Mr. Chairman, I would like again to thank your subcommittee for its outstanding support for this project in previous years as well as for the time you have provided me. I would also like to submit for the record, written testimony provided by Mr. Thomas Offutt, a volunteer with the National Parks and Conservation Association Action Project, who has worked for many years on issues involving the Cuyahoga.

Mr. YATES. That may be done.

Thank you, Mr. Seiberling.

Mr. SEIBERLING. Thank you.

[The statements of Mr. Seiberling follow:]

Statement of Hon. John F. Seiberling
Chairman, Subcommittee on Public Lands and National Parks
Committee on Interior and Insular Affairs

Before House Subcommittee on Interior Appropriations

May 13, 1982

Mr. Chairman, thank you for the opportunity to testify today concerning the Administration's proposed fiscal 1983 budget for the Department of the Interior, and other agencies and programs under the jurisdiction of the Subcommittee on Public Lands and National Parks.

Our Subcommittee, and the full Interior Committee, held hearings on these budget proposals and made a number of very specific recommendations to the House Budget Committee. I have brought copies of those recommendations for your files.

Today, I would like to highlight several concerns that we hope you will consider in making your decisions on the level of appropriations you will be recommending to the House.

LAND AND WATER CONSERVATION FUND: The Administration has again proposed drastic cuts in the Federal share of the Land and Water Conservation Fund and elimination of the matching grants to the States. This is unconscionable. On the Federal side, the budget request would barely cover pending condemnation actions. It would preclude the purchase of lands authorized by the Congress, cause further delay and increased costs to the government, create a situation where lands threatened with incompatible development could not be acquired, and result in unfair hardships on private property owners. On the State side, the loss of the matching grants could severely jeopardize or eliminate programs for State and local park acquisition and development. Our recommendation is for $196 million for the Federal side -- $150 million for the National Park Service, $27 million for the Forest Service, $3 million for the Bureau of Land Management and $16 million for the Fish and Wildlife Service. We also recommend $80 million for State recreation grants.

It should be noted that this week the Interior Committee has approved and will report a bill (H.R. 6290) to increase the authorization ceilings for land acquisition at Voyageurs National Park, Sleeping Bear Dunes National Lakeshore, Cape Cod National Seashore and Cape Lookout National Seashore. The new ceilings will be sufficient to cover the amounts recommended by the Interior Department in the 1983 budget request.

YOUTH CONSERVATION CORPS: The Administration has proposed termination of this very worthwhile program. In our recommendations to the Budget Committee, the Interior Committee urged continued funding for the YCC at $50 million in fiscal 1983, with the understanding that, if the Congress enacts legislation (H.R. 4861) to create a new American Conservation Corps, that the funds should be made available to begin implementation of this program. The Interior Committee has reported H.R. 4861 to the House, and the bill has also been ordered reported by the Education and Labor Committee to which it was jointly referred. The bill has bipartisan support in both the House and the Senate and we expect it to be enacted this year.

__HISTORIC PRESERVATION FUND:__ The Administration's proposal to eliminate this important program is unacceptable. The 1981 changes in the Federal tax laws, which provide incentives for preserving historic revenue-producing properties, have placed new burdens on State offices as well as the National Park Service. The 1980 amendments to the National Historic Preservation Act strengthened the State role in identifying and protecting historic and archeological resources. Last year, the Congress repudiated the Administration's attempt to gut this program, and we must do the same again. The Interior Committee has recommended a minimum of $30 million for the historic preservation fund, including a grant of $4.7 million for the National Trust for Historic Preservation, which is the amount necessary to maintain the 1982 program level.

__URBAN PARK AND RECREATION RECOVERY PROGRAM:__ The Adminstration has requested no funds for this program, one that has proven to be highly successful in rehabilitating urban parks in cities throughout the country. Rather than abandon this program, the Interior Committee recommended sustaining it at the 1982 service level of $8,280,000. Even at this modest level, the program can provide some stimulus to local governments to revitalize and maintain their much needed parks and recreation facilities.

NATIONAL PARK SERVICE: The Administration's budget request for the Park Service is misleading in that over half of the proposed increase for park operations would be merely to cover the 1981 pay increases and many other key programs are targeted for major cuts. Furthermore, the Administration has stressed its "park restoration and improvement program" (PRIP) which would fund repair of physical facilities and road construction yet ignore critical resource threats to the resources of the parks themselves.

For example, the Administration has not requested the $3.7 million needed for repairs on the walls of the 16th Century El Morro Castle in Puerto Rico, although this was listed as the number one priority servicewide for critical preservation treatment in the capital program. The Administration has also not requested the $99,000 needed to fund two archeologists and support staff to develop and maintain the archeological data base for the San Juan Basin (including the Chaco Culture National Historical Park); without this funding, the Park Service will not be in compliance with P.L. 96-550 which states that the Service shall

> ..."be responsible for the development of a computer-generated data base of the San Juan Basin and make such information available to Federal and private groups when to do so will assist such groups in the preservation, management and development of the resources of the Basin."

These are but two examples of the Administration's misplaced priorities in the fiscal 1983 budget request for the National Park Service.

The Interior Committee therefore strongly urged a funding level of at least $17 million to provide funds for the highest priority natural and cultural projects identified by the National Park Service as a result of the "State of the Parks -- 1980" report to Congress.

The Committee also recommends that proposed reductions not be agreed to for interpretation and visitor services (including visitor transportation systems and energy conservation and pollution abatement programs); park, recreation and wilderness planning; general administration (including legislative affairs); national recreation and preservation programs (including recreation technical assistance, wild and scenic river and trails reviews and designations and environmental compliance and review). Funds for these programs may be offset by reductions from lower priority PRIP projects.

BUREAU OF LAND MANAGEMENT: The Administration's budget request would substantially increase activities related to energy developments and other extractive uses of the public lands, yet also reduce the Bureau's ability to respond to the need to protect these lands and their resources. The Committee therefore urged an increase of $900,000 for the Congressionally required studies of wild horses and burros, $2.3 million additional funds for soil, water and air studies and inventories; and restoration of $1.5 million for planning and data management.

ALASKA: Section 1417 of the Alaska National Interest Lands Conservation Act directed the Secretary of the Interior to acquire certain lands on the Pribilof Islands for inclusion in the National Wildlife Refuge System. The acquisition would be by purchase from the local Native corporations who received the lands under the Alaska Native Claims Settlement Act. The same section of the Alaska lands Act authorizes an appropriation of up to $7.5 million for this acquisition. The Administration has not requested any appropriation for this purpose in the current budget. The Native corporations are eager to transfer these properties, and certainly the Congress has indicated that inclusion of the lands in the refuge system should be accomplished. It is my understanding that the Alaska Congressional delegation strongly supports appropriation of funds for this purpose.

ADVISORY COUNCIL ON HISTORIC PRESERVATION: The Administration's request would reduce the Council's funding $632,000 (-15 Full Time Equivalent positions) below that needed to maintain the 1982 program level. Because the Council's work has grown due to changes in the historic preservation laws, the Committee does not concur and recommends restoration to the base level of $1,605,000 (44 Full Time Equivalent positions).

PENNSYLVANIA AVENUE DEVELOPMENT CORPORATION: The Administration has proposed cuts in the Corporation's funds and employment ceiling at a time when the work of the Corporation is less than half complete, particularly in the Eastern Sector, east of the FBI building. The Interior Committee recommended an increase of $1.5 million to restore the staffing levels and begin implementation of the housing and historic preservation goals in that area. Last week the Committee approved, and this week will report, legislation to increase the Corporation's borrowing authority to $120 million and to reauthorize appropriations for operating and administrative expenses through fiscal 1988.

As a result of concern expressed about the need for more Congressional oversight of the Corporation's activities, several reporting requirements were added to the legislation. Your Committee is particularly urged to scrutinize closely (with an eye to substantially reducing) the $6.8 million for developing a paved plaza at Market Square which would be the site of a proposed Navy memorial arch and bandshell. The proposal could have a major impact on the scale and historical character of the surrounding areas.

Because of concerns about this proposal, and others that could have a significant effect on the Avenue without requiring further review by the authorizing Committees, a provision was added to the pending legislation requiring the Corporation to provide us with 30 days notice of any significant changes in the plan that relate to housing, any major structures, historic preservation, office space or retail uses in the development area. The legislation also requires within 6 months, a report on the Corporation's anticipated annual funding needs through 1990 and an annual report on its efforts relating to historic preservation.

Statement of Hon. John F. Seiberling
Before House Subcommittee on Interior Appropriations

May 13, 1982

Mr. Chairman, I understand that you heard testimony during your February hearings on the implementation of the land acquisition plans in the Cuyahoga Valley National Recreation Area and laying blame for all sorts of community ills on the land acquisition conducted by the National Park Service. In addition, I was criticized in that testimony for not properly exercising my oversight responsibilities since the Cuyahoga Valley National Recreation Area was created.

I would like to take this opportunity to correct the record on several points.

First, my information is that more than 270 families remain in the park boundaries after National Park Service acquisition of an interest in their property, where either a retained use or an easement was purchased. In addition, well over 300 more residential properties inside the park remain unacquired at this point, and there are plans to purchase outright only a very small number of such properties in the foreseeable future, and only when needed for direct visitor use or in hardship cases.

While the Act creating the Cuyahoga Valley National Recreation Area does encourage the use of scenic easements to preserve the character of the area on improved properties, it was never intended that easements would be the sole or major preservation tool, particularly where an easement cost exceeds a reasonable percentage of fair market value or where preservation cannot be accomplished on a lasting basis by purchase of an easement. Nevertheless, for over 20% of residential properties acquired to date in the Cuyahoga , all that was acquired was a scenic easement.

Mr. Chairman, you have also been told that the total land acquisition cost at the Cuyahoga will run as high as $165,000,000. That is grossly incorrect.

My infomation is that acquisition can be substantially completed within the next four years if the park can be assured of $5 million annually. This would bring the total land acquisition costs in at about $90 million and would protect all those park resources necessary for full utilization by the visiting pubic.

For the record, I would like to point out that ever since the Cuyahoga Valley National Recreation Area was created—through the efforts of a number of Members here today I might add—I have worked to see that the Act was implemented properly, with good judgment, and with sensitivity toward the residents of the Valley. From the beginning, it has been my policy to listen to anyone who had a problem or grievance involving the Cuyahoga park and to make sure that his or her concern was brought to the attention of the Park Service. I have done so whether or not the person lived in my Congressional district. That includes Mr. Stein-Sapir, who testified before this Subcommittee, even though he has never lived in my district. I have had more than 30 meetings in Washington and countless meetings in my district with various residents, local officials, and federal officials to oversee the work of the Park Service in the last several years, even though I did not sit on the Parks Subcommittee in 1977 or 1978 and only became Chairman, with specific oversight responsibility, in 1981.

While I can not say that I personally agreed with every decision of the Park Service, I have been very pleased overall with the approach which the Park Service and its excellent professional staff have taken in bringing this park into being.

Opponents of the Park also claim that acquisition was carried out without an approved Land Acquisition Plan. Although the Park Service did fail to develop a land acquisition plan by the deadline in the orginial Act and I publicly criticized the Ford Administration for their failure at that time, a plan was put in place not long after Park Service acquisition began. I believe that the Park Service should be commended for its current land acquisition priorities which are providing a rational basis for completion, at minimum cost, of a park that will be able to serve the many millions of people expected to enjoy the beautiful Cuyahoga Valley each year.

Several priority areas are to be acquired in FY 83 in the Cuyahoga if sufficient appropriations become available. I am particularly concerned about some landowners who have held onto their property for several years awaiting acquisition which was originally scheduled several years ago.

While the need for land acquisition funds for the Cuyahoga park remains urgent, I appreciate the fiscal constraints your Subcommittee is under. The Subcommittee on Public Lands and National Parks has recommended $5 million for land acquisition in the Cuyahoga for FY 83, and I believe that this amount would allow for the purchase of those urgently needed properties without overstepping the bounds of budgetary restraint.

Mr. Chairman, I would like to thank you and your Subcommittee for your outstanding support for the National Parks in the past and for the Cuyahoga Valley National Recreation Area in particular, and for the time you have provided me today. I would also like to submit for the record written testimony provided by Mr. Thomas Offutt, a voluteer with the National Parks and Conservation Association Action Project, who has worked for many years on issues involving the Cuyahoga.

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Testimony for the Record

Submitted to
Appropriations Subcommittee on Interior
FY '83 Appropriations for National Park Service

May 13, 1982

My name is Thomas W. Offutt and I serve in a volunteer capacity as a member of the National Park and Conservation Association's Action Project. In this role, I have specific responsibility for threats to the Cuyahoga Valley National Recreation Area (CVNRA).

Earlier this spring Mr. Leonard R. Stein-Sapir testified before this Subcommittee. The testimony includes so many gross inaccuracies that I offer the following facts to correct the record. These corrections are supported by readily available public records.

In his testimony, Mr. Stein-Sapir states, "Our family, along with approximately 50 other families are all that remain as homeowners out of the 500 families that resided in the 32,000 acre recreation area before its creation."

Mr. Stein-Sapir did not live in the CVNRA "before its creation." Through a partnership, he purchased 72.2 acres with improvements for $175,000.00 six months after the park was created. Then a portion (66.95 acres) of his land was subdivided into eleven parcels and subsequently sold to the National Park Service on 11/8/78 for $248,250.00. Mineral rights were retained on this tract and the remaining 6.5 acre tract and house were sold to "Oakhill Properties" for $15,000.00. "Oakhill Properties" is owned by Mr. Stein-Sapir. This tract is presently in condemnation with trial due in June, 1982.

There were a number of other internal sales and other tactics possibly to subvert subdivision regulations and National Park Service Superintendent William Birdsell stated of the transactions that Mr. Stein-Sapir was "ripping off the government". Mr. Stein-Sapir sued Mr. Birdsell and after Birdsell's death continued the suit against his estate.

Mr. Stein-Sapir states there are "fifty families" remaining in the CVNRA. In fact there are 638 families that remain as tax-paying citizens within the boundaries of the CVNRA. Out of 370 residential units acquired by the NPS, 196 owners elected to retain use and occupancy. Easements have been acquired on another 78 properties and another 364 residents remain with the Park Service having no plans for acquisition. All of the above-mentioned pay property taxes.

The local school, because of the same demographics found nationwide, has merged into another school in the district. The local library has recently completed a building expansion. The tax base has never been more secure. It is hard to understand how Mr. Stein-Sapir can claim that he "lived where we did because we loved the beauty and solitude of the country" when he subdivided his property into eleven parcels of 5+ acres each.

His contention of "a mindless bureaucracy that flaunted the Act" has been tested in the U.S. District Court in Civil Action C78-922A, William K. Thomas presiding. Judge Thomas dismissed or denied all contentions of the plaintiff that the Secretary of the Interior or his delegate had acted in contradiction of the act creating the CVNRA.

It should also be stated that what Mr. Stein-Sapir calls "unplanned residential land acquisition" was the Park Service's compliance with section 2G of Public Law 93-555 which requires the service to give priority to acquisition of property owners wishing to sell for "hardship" reasons. Nearly one-third of all property acquired has been in compliance with this section.

The CVNRA continues to develop a broad range of recreational, historical, cultural and educational opportunities within its boundaries with the full support of the vast majority of property owners and the regional population. The area does benefit the public and will continue to do so. It is essential that the remaining acreage be acquired in accordance with the Park Service plan. This can be done for a figure of about half of the amount mentioned in Mr. Stein-Sapir's testimony.

Thank you for this opportunity to present these facts.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

LOWELL HISTORICAL PARK

WITNESS

HON. JAMES M. SHANNON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. YATES. Mr. Shannon.

Mr. SHANNON. Thank you, Mr. Chairman.

Mr. YATES. Letters we have received today from colleagues of yours from Massachusetts, a letter dated May 10, signed by Speaker O'Neill, Mr. Bolan, Mr. Conte and Mr. Early. It is with respect to supporting your request for Historic Preservation Commission appropriations.

That may go into the record at this point. Your statement may go into the record, also.

[The letter to Mr. Yates follows:]

Congress of the United States
House of Representatives
Washington, D.C. 20515

May 10, 1982

Chairman Sidney R. Yates
Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB

Dear Chairman Yates:

We understand that our colleague from Massachusetts, Jim Shannon, will propose in testimony before your Subcommittee that the appropriation for construction and development for the Lowell Historic Preservation Commission be increased by $1,850,000, and the appropriation for the Lowell National Historical Park be increased by $1,576,000.

As you know, we have supported Congressman Shannon's past efforts to provide sufficient funds for the Lowell Historical Preservation Commission and the Lowell National Historical Park to undertake the tasks required by the authorizing legislation (P.L. 95-290).

Your Subcommittee has been especially responsive to the need for adequate funding of the Lowell Park, and we hope that you continue to appreciate the significance of the only national park which is dedicated to the Industrial Revolution and the endeavors of working people in America.

In the past year, work on the Park has proceeded in a manner consistent with the authorizing legislation and the preservation efforts in Lowell are well underway. The lack of construction and development funding in this year's budget comes at a crucial time in Lowell's development. More than $30 million in private sector investments in the project area have been made in anticipation of the completion of the Park and Commission facilities. Termination of planned projects will stop private sector development and make it impossible for the Commission and the Park to regain the confidence of these interests.

We, therefore, support increasing the FY 1983 appropriation for the Park and Commission to the amount Congressman Shannon has suggested. This is necessary to continue our commitment to the preservation and appreciation of America's first major planned industrial city.

Very truly yours,

Thomas P. O'Neill Jr.
Honorable Thomas P. O'Neill, Jr.

Edward P. Boland
Honorable Edward P. Boland

Silvio O. Conte
Honorable Silvio O. Conte

Honorable Joseph D. Early

Mr. SHANNON. Thank you, Mr. Chairman.

Three of the last four years there has been no budget request submitted by the Administration for acquisition and development of the Lowell Park. Last year there was and it was a fine request and one I had no quarrel with. This year, once again, there is no request for acquisition and development.

When I first came 3 years ago, I was able to report to the committee that 100,000 people in that fiscal year had visited the Lowell Park. I am able to tell you now that in this fiscal year it is projected that over 400,000 visitors will see the Lowell Park and it is a smashing success.

In order to keep the momentum going, we have to, as quickly as we can, continue to develop some of the projects authorized in the legislation. I am asking the committee consider funds for the further development of the Boott Mill, the historic boarding house and trolley located around the corner from the Boott Mill and the Early Residence, which will be a demonstration of the lifestyle of the millworkers in the latter half of the 19th Century in Lowell.

The Boott Mill will really be the centerpiece of the Lowell Park because it was a mill, it was in operation for over 100 years, and I think typifies what happened in the industrial revolution in America. Sixty thousand square feet will be used by the Park Service itself, 60,000 square feet will be used by cooperators, a printing museum, Lowell Textile Museum and other exhibits.

We now don't have place to show those wares. So it is particularly important that we get the Boott Mill project going as quickly as possible.

Mr. YATES. How much money are you requesting?

Mr. SHANNON. For the Boott Mill itself, which comes under the park budget, the request is a little over $1.5 million. For the cultural center, which is adjacent to the Boott Mill but a separate structure, the request is $1.3 million. The trolley request, Mr. Chairman, is necessitated by the fact that the transportation system which exists there now is on a lease basis and the lease will be running out next year. The leased trolley is not in keeping with a historic theme of the park. It is a gasoline operated vehicle. The money requested for the trolley will purchase a trolley car and put in the overhead electrical system necessary to get the trolley working. It will be cheaper in the long run; much more energy efficient than the present transportation system.

The Early Residence will be an opportunity to show people exactly how these millworkers lived.

I had the opportunity once again to take the current park tour in Lowell just a few months ago. It is a walking tour now and it is a boat tour along the canal system of Lowell. And while I have lived in that area all of my life, I must say that every time I take the tour, I learn things about my own area that I didn't know before.

The park is really working. It is attracting visitors. We want to keep them coming. The visitors center, for which this committee made an appropriation 2 years ago, will be opening in just 2 weeks and will be a beginning point for visitors to Lowell.

Now, we want to take them and show them some of what Lowell was really all about. So I would ask this committee to consider this request. I want to thank the committee for its receptiveness to these requests in the past.

Mr. **Yates**. Thank you, Mr. Shannon.

[The statement of Mr. Shannon follows:]

Testimony of

Honorable James M. Shannon

The budget which the Administration submitted to Congress in February contained no construction and development funds for either the Lowell Historic Preservation Commission or the Lowell National Historical Park. Both the Commission and the Park have planned essential development efforts for FY 1983 which will require a total of $3,426,000. I appear before you today to urge you to provide this funding.

This Subcommittee and the Congress have strongly supported the development of the Lowell National Park over the past three years, and progress during the initial stages of the Park has been substantial. For example, the Visitors' Center, which is the product of cooperative efforts involving the Commission, the Park Service, and local private developers, is just about completed and is expected to open on May 28, 1982. Attendance is growing steadily, from just under 100,000 visitors in the Park's first year to an estimated 400,000 in FY 1982. Private developers continue to show an increasing interest in the Park, having already invested more than $30 million in the project area in anticipation of the Commission and Park facilities.

However, all this momentum stands to be greatly diminished or completely lost if the restoration and development efforts planned for FY 1983 are not funded. FY 1983 will be a pivotal year for the Lowell Park, with the city and the private developers looking to the Commission and the Park to see if their plans are to be realized. Restoration and development efforts planned for FY 1983 focus on four projects of primary importance to the Park: (1) the Boott Mill Cultural Center; (2) the Historic Trolley; (3) the Early Residence; and (4) the Boott Mill. Significant progress has already been made on each of these projects, and a lack of funding will seriously jeopardize that progress and bring to a halt much of the private sector development, making it extremely difficult to regain the interest of the private developers.

These four projects, when completed, will become an integral part of the Lowell Park, providing for cultural and educational facilities, and preserving the heritage and story of Lowell as America's first great city. But the significance of these projects goes beyond their central role in the Lowell Park and what they will mean to visitors to Lowell. They are also important because their development is part of a larger cooperative effort between State and local groups, the federal government, and private developers, that is so unique to the Lowell Park. Lowell is an important test of what will become a national trend toward cooperative efforts and ownership patterns.

I would add that an increased appropration to the level which I have mentioned is supported by my Massachusetts colleagues who serve on the Appropriations Committee, and by Speaker O'Neill. I have a letter stating their support with me this morning, and I would be happy to submit it for the record if you so desire, Mr. Chairman.

In closing, let me express to you the absolute and unqualified support of the people of Lowell, not only for this additional funding, but also for the entire national historical park concept. The Lowell Park continues to represent a new approach to historic and cultural preservation in an urban area. I urge you to provide the funding necessary to complete the development projects planned by the Commission and Park for FY 1983.

Appendix I

Construction and Development Plans for FY 1983

Funding Requests for FY 1983

Lowell Historic Preservation Commission

1. Boott Mill Cultural Center	$1,300,000
2. Historic Trolley	400,000
3. Early Residence	150,000
	$1,850,000

Lowell National Historical Park

1. Boott Mill Exterior	$1,576,000

Total Request	$3,426,000

Commission Projects Planned for FY 1983

The Commission has planned for the further development of three projects, each of which has already been partially funded:

1) Boott Mill Cultural Center. The H&H Paper Company was constructed between 1835 and 1838 as a traditional three story brick boarding house for operators of the Boott Mill. It is the best opportunity to show the connection between living place and work place. The Commission has planned, in cooperation with the National Park Service, to develop this structure into a cultural center with three purposes: (a) a multi-purpose community educational facility; (b) a profit-making boarding house style resturant; and (c) support facilities for the Boarding House Park which will be developed in cooperation with the Park Service in the adjacent lot.

Planning and stablization of the Boott Mill Cultural Center are underway, and thus far $390,000 has been spend on the Center. The funds requested for FY 1983 will complete the exterior rehabilitation of the Center.

2) Historic Trolley. The trolley system, which will ultimately connect all the major visitor attractions, has been considered a great success in bringing visitors to industrial Lowell. Ultimately, six operating vehicles, and one spare, will be required to handle the anticipated demand. At present, one self-propelled vehicle which is not historically authentic has been leased. The lease will expire at the end of 1983.

Specifications are complete for the construction of an historic trolley, and thus far $180,000 has been spent on the trolley system. This year's request will permit the construction of an historically authentic electrical vehicle, as well as the purchase and installation of the overhead lines.

3) Early Residence. This structure is one of the few remaining pre-Civil War private residences in the center of Lowell. The Commission's objective is to cooperatively rehabilitate the structure with help from the Greater Lowell Central Labor Council. Currently, this structure is in very poor repair.

Negotiations are about to be concluded for the acquisition of the Early Residence, and thus far $148,000 in funding has been provided for this project. This year's request will permit the rehabilitation of the exterior of this structure; volunteer labor will be responsible for the interior rehabilitation.

Historical Park Projects Planned for FY 1983

With the anticipated opening of the Visitors' Center in May, the Park Service is turning its attention to the rehabilitation and development of the Boott Mill, which will serve as the primary focal point for visitors to the Lowell Park.

The Boott Mill is architecturally, historically and culturally the most significant property in Lowell. The mill was constructed and adapted over a continuous 100 year period by the Boott Corporation, and is the best existing example of the first phase of Lowell's mill construction.

The overall plans of the Park Service for the Boott Mill encompass approximately 120,000 square feet of space in the Clocktower building, the east millyard, and the former countinghouse building. In the Clocktower building, the Park Service will be directly responsible for developing 60,000 square feet of space for interpretive purposes centering on the themes of factory technology and the story of the people who worked in Lowell's mills. The remaining 60,000 square feet of space in this building will be developed by private cooperators for purposes complementary to the National Park Service program.

The Commission expects to have acquired this building by the end of the summer. The construction and development money requested for the Park will permit the exterior renovation of the Clocktower building.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

LAND ACQUISITION, GOLDEN GATE NRA

WITNESS

HON. TOM LANTOS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. YATES. Mr. Lantos.

Mr. LANTOS. Mr. Chairman.

Mr. YATES. Glad to have you, Mr. Lantos. I understand you don't have a prepared statement, which is all right. We will be glad to hear you.

Mr. LANTOS. Mr. Chairman, I will just take a couple of minutes of your time and want to thank you for your courtesy of hearing me again. I must admit, I didn't expect to appear this year because I was here on May 4 a year ago on behalf of Sweeny Ridge, which as you recall, is a magnificent, 1,100-acre ridge, the last missing link in the Golden Gate National Recreation Area.

It is a place that in 1769 a group of Spaniards claimed and from which they sighted San Francisco. You and your committee and the parallel Senate committee acted on this and the President signed the legislation in late December 1981. There was great rejoicing in our area until we realized that we were up against the Secretary of the Interior, who decided to block the purchase of this national treasure.

I am here on behalf of several of my colleagues in the area because this is a completely nonpartisan, bipartisan effort. As you know, we had a 7 hour field hearing in the City of Pacifica which is the town that Sweeny Ridge overlooks, exploring with the Department of the Interior why they did not carry out the mandate of Congress.

My neighbor and colleague, Congressman McCloskey, at the time expressed the view that in 14 years in the House he has never seen such blatant defiance of congressional action. Appraisals are promised. They are delayed. They are not performed. And the will of the Congress is flaunted.

I am here to repeat with great emphasis our request that you deny the Department of the Interior their proposal for reprogramming these funds, and you reassert your action of last year for the purchase of Sweeny Ridge.

Mr. YATES. Well, we have taken the position, as you know, of trying to find out where the appraisal is. I will agree with you that the appraisal has certainly taken an undue length of time. I asked the Park Service yesterday about it when they were before us. They said the appraisal would be ready about July 1, as I recall.

I said, "Why is it taking so long?" He said, "Well, it is a special kind of an appraisal, special kind of property." He also said that there have been mudslides there, and other kinds of natural disasters that prevented the appraisal from going forth.

I said, "Regardless of that, I would hope you would complete it as quickly as possible." We hope to receive it promptly. We will continue to follow up on it and keep on pushing to get the appraisal completed.

Mr. **Lantos**. Mr. Chairman, if I just may interject a word.

Mr. **Yates**. Sure.

Mr. **Lantos**. At our hearing in the City of Pacifica which is the town Sweeny Ridge overlooks, the Park Service indicated the head of the western region of the Park Service indicated on January 29 that at the outside it will take 90 days for the appraisal to be completed. We have been seeing a delay and procrastination that we must conclude is deliberate.

Mr. **Yates**. We will try to follow up very quickly and stay with it, Mr. Lantos.

Mr. **Lantos**. I appreciate it, Mr. Chairman.

Mr. **Yates**. Thank you.

Thursday, May 13, 1982.

NATIONAL PARK SERVICE

Land Acquisition, Appalachian Trail

WITNESS

JAMES JEFFORDS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VERMONT

Mr. **Jeffords**. Hi, Mr. Chairman. I have a statement I would like to have placed in the record.

Mr. **Loeffler**. That may be done.

[The statement of Representative Jeffords follows:]

STATEMENT OF THE HONORABLE

JAMES M. JEFFORDS

Thank you Mr. Chairman and members of the committee. I appreciate the opportunity you have given me to come before this subcommittee today to talk about one of the most successful programs in the Interior Department -- the Land and Water Conservation Fund. This government program is one of the few that can boast of a permanent legacy of benefits to all states in the country. Since its inception in 1965, it has aided close to 30,000 projects involving 14,000 communities.

The concept behind the fund has always been extremely sound. The idea that our nation should reinvest a portion of the proceeds from a nonrenewable resource -- oil -- to save resources that cannot be replaced -- our land and water -- is probably more important now than ever before. The need for preservation has never been greater and communities with an expanding need for public recreation are experiencing overcrowding and deterioration at existing facilities. Furthermore, revenues from off-shore oil have risen drastically with decontrol and increased drilling activity.

I would like to address two particular issues with respect to the Land and Water Conservation Fund. One is the state grants portion of the fund, which was zero funded last year, and the Appalachian Trail Project, which is at a critical stage, particularly in my state of Vermont.

Mr. Chairman, the Appalachian Trail is certainly one of our unique national treasures. Its 2,100 miles from Maine to Georgia link more than sixty public land areas in fourteen states. The trail is easily accessible to most major populations centers along the route. The Appalachian Trail Conference estimates that the trail accomodates 3 to 4 million visitors each year.

In 1978, the Congress responded to the need for additional protection of the Appalachian Trail corridor by authorizing funds for the purchase of lands or interests in lands along the trail. Public Law 95-248 also provided the right to exercise eminent domain.

Most of the work on a permanent route and a protection corridor has been completed and 713 of the 830 miles of trail in need of protection have entered the final stages of land acquisition. Of this total, 342 miles have been acquired and I am here today to urge this subcommittee to do whatever it can to expeditiously finish the job.

I am most familiar with the acquisition process in Vermont and I would like to share some of the history of that process because I think it illustrates the need for quick action on the entire project. Four years ago when the acquisition process entered its most recent phase, there was a great deal of opposition on the part of many Vermont landowners to sell their land. The admirable traditions of stubbornness and resistance to government intervention lead to a resistance to discuss the AT land acquisition process despite the statewide support for the viability of the trail.

To the credit of all of those involved in the project, notably the Appalachian Trail Conference, the Park Service, the State of Vermont's Environmental Conservation Agency,

Total FY 1983 Request: $3,426,000

National Historical Park

Request: $1,576,000

Purpose: Exterior renovation of the Clocktower building of the Boott Mill.

Lowell Historic Preservation Commission

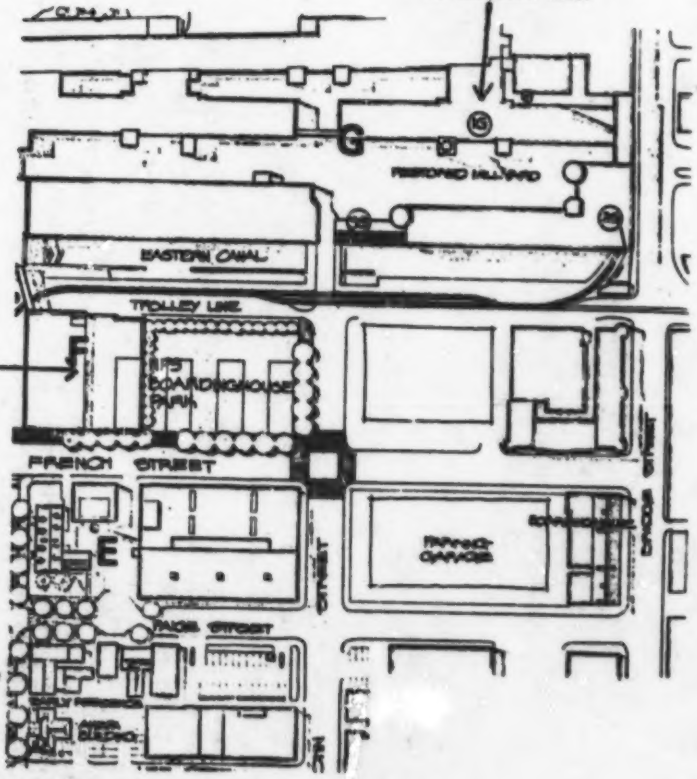
Request: $1,850,000

Purpose:

1) Exterior rehabilitation of the H&H Paper Co. building (to become the Boott Mill Cultural Center) $1,300,000

2) Construction of one trolley and the purchase and installation of the overhead lines. $400,000

3) Exterior rehabilitation of the Early Residence. $150,000


G
16
RESTORED MILLYARD
EASTERN CANAL
TROLLEY LINE
F
NPS BOARDINGHOUSE PARK
FRENCH STREET
E
STREET
PARKING GARAGE
BOARDINGHOUSE
STREET
PAIGE STREET
EARLY RESIDENCE

the Ottaquechee Land Trust and hiking groups, a series of meetings were held in the critical areas of the state and many of the problems and objections have been worked out. This is not to say that there is no opposition, but it is small and landowners now feel that they have a voice in the process and an opportunity to participate in determining what options will be used to protect the trail.

Those close to the process on both sides feel that the accomodation that has been reached in Vermont is nothing short of miraculous. This consensus will be threatened if adequate funds are not provided to allow land acquisition to proceed as quickly as possible. Delays could also increase the cost of AT protection as land values escalate. Furthermore, there are areas where development could occur in tracts slated for the corridor.

Mr. Chairman, the moneys spent on protecting the Appalachian trail throughout its length will be nearly meaningless unless we finish what we have started. In many areas, particularly in Vermont, parcels purchased by the Park Service are not connected with each other. They will be far less useful if land acquisition does not continue.

I would also like to call the Subcommittee's attention to the plight of the state grants portion of the Land and Water Conservation Fund. After a zero-funding in fiscal year 1982, I believe it would be a grave mistake to not fund this program in FY '83. We are reaching a point when there is almost no money left in the form of unobligated balances. It would indeed be tragic if we were allow this program to disappear by letting the administrative machinery wither away due to a lack of funds. I know of no program that is more popular and more scandal-free than this one.

Even in my small state of Vermont, the Land and Water Conservation Fund's state side has had a hand in the development of 361 projects. While we have made a great deal of progress in protecting land and in providing recreational opportunities for our citizens, the pressures for continuing the program are greater than ever. The pressures of land and water development by the private sector are increasing and the Land and Water Conservation Fund has helped to balance this activity with matching funds for resource protection.

Examples of the principles of balancing development are numerous. Municipal projects have provided recreation facilities and protected land from less desirable types of development. Several state projects have helped to create State Parks and Reserves that preserve wildlife habitats, rare plant species, and the views and lookouts of so many areas on our state. Such values are not only important to the aesthetic qualities of states like Vermont, but they are absolutely essential to their economic health. In Vermont, we have learned that environmental protection and a balanced approach to development are one of our best assets in trying to assure a good business climate in the long term.

Furthermore, as states like Vermont grow, the need for recreational opportunities increase, as does the competition for land and water resources. In addition to protecting precious resources such as prime farmland park areas, the Land and Water Conservation Fund has helped the state to take a more balanced approach to sorting out competing claims for the use of our rivers. The use of Vermont's rivers has increased in all areas, including recreation, hydroelectric development, snowmaking for ski areas, domestic water consumption and waste disposal.

In short, the state grants program of the Land and Water Conservation Fund has been an extremely important and popular form of federal revenue-sharing. It has helped to draw in states, local governments and private donations to protect and preserve what can be renewable resources if we treat them with respect -- our land and water. Despite our goal of fiscal austerity, it seems reasonable that this Congress should appropriate some of the more than $10 billion that is expected to come from offshore oil revenues. I urge the Subcommittee to inject new life into the Land and Water Conservation Fund.

Mr. YATES. In addition, I would like to have included in the record the letter from Mr. Jeffords to myself, dated April 12.

[The information follows:]

JAMES M. JEFFORDS
VERMONT CONGRESSMAN

COMMITTEE ON AGRICULTURE
SUBCOMMITTEES:
CONSERVATION, CREDIT AND
RURAL DEVELOPMENT—
RANKING MINORITY MEMBER
LIVESTOCK, DAIRY AND POULTRY
COMMITTEE ON EDUCATION AND
LABOR
SUBCOMMITTEES:
EMPLOYMENT OPPORTUNITIES—
RANKING MINORITY MEMBER
ELEMENTARY, SECONDARY AND
VOCATIONAL EDUCATION
SELECT EDUCATION
SELECT COMMITTEE ON AGING

Congress of the United States
House of Representatives
Washington, D.C. 20515

PLEASE REPLY TO:
☐ [illegible]
Washington, D.C. [illegible]
[illegible]

☐ P.O. Box [illegible]
[illegible]
[illegible], Vermont [illegible]
[illegible]

☐ [illegible]
[illegible]
[illegible], Vermont [illegible]
[illegible]

☐ P.O. Box [illegible]
[illegible]
[illegible], Vermont [illegible]
[illegible]

April 12, 1982

The Honorable Sidney Yates
Chairman
Subcommittee on Interior and Related Agencies
B-308 Rayburn HOB
Washington, D.C. 20515

Dear Mr. Chairman:

As you know, the Administration has requested the deferral of $2.8 million in unobligated Land and Water Conservation Fund monies. This deferral will have a serious impact on planned recreation projects around the country, as well as an adverse effect on state budgets in those states which choose to honor commitments made in their State Comprehensive Outdoor Recreation Plans (SCORP).

In Vermont, for example, the Agency of Environmental Conservation has been working diligently to obligate approximately $500,000 to support ten approved projects which are ready to be submitted to our Regional office of the National Park Service in Philadelphia. If the Administration's deferral is not rejected, the State of Vermont will not be able to fund these ten projects, and will not complete their obligations under the requirments of the 1983 SCORP.

I would support the rejection of this deferral proposal. Its negative impact would be far greater than the small benefit gained by the Department of Interior.

Sincerely,

Jim

James M. Jeffords

JMJ/km

Mr. Loeffler. Thank you, Mr. Jeffords.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

PISCATAWAY NATIONAL PARK

WITNESS

HON. MARJORIE S. HOLT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MARYLAND

Mr. Loeffler. At this time, I would like to place in the record testimony of the gentlelady, Marjorie Holt of Maryland.

[The statement of Representative Holt follows:]

TESTIMONY OF MARJORIE S. HOLT, M.C., BEFORE THE INTERIOR SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE, MAY 13, 1982, REGARDING THE NATIONAL COLONIAL FARM AT PISCATAWAY NATIONAL PARK IN MARYLAND

MR. CHAIRMAN:

Twenty-five years ago there was little interest in preserving open space near urban centers. At that time, The Accokeek Foundation, Inc. pioneered a project to save and preserve the Maryland shoreline of the Potomac River, opposite Mount Vernon. Since then the Foundation has been helped by generations of presidents and congresses and its project has become the model for many other similar ones nationwide. Land acquisition begun by the Foundation in 1957 was completed by the Congress in 1974 with the creation of Piscataway National Park. The new park included land donated by foundations and private individuals, as well as by the federal government. The State of Maryland cooperated by enacting tax reforms to encourage land preservation. These reforms were based on studies by the Accokeek Foundation and became the example which was followed by many other states.

On land donated to the federal government, the Foundation developed the nation's first living historical farm project within the park. Now known as the National Colonial Farm, it is the site of privately-funded research and experimentation with the crops and agricultural methods of the mid-18th century in cooperation with the National Park Service. Many other historical farms have been subsequently developed throughout the country.

The National Colonial Farm is a living demonstration of the husbandry of tidewater Maryland and Virginia in colonial days. However, it is more than a museum; it is living history every day of the year and many visitors come and participate.

In November 1978, Congress authorized a development ceiling of $2 million for Piscataway Park and a five-year program for the Colonial Farm was inserted in the record.

A formal master plan was eventually adopted by the Park Service for the farm.

On March 2nd of this year, Dr. J. N. Casey, President of the Accokeek Foundation, appeared before this subcommittee and requested favorable consideration of an appropriation of $225,000 to the National Park Service for previously authorized capital improvements at Piscataway National Park, and specifically at the National Colonial Farm.

These improvements include moving the caretaker's house to a location outside of the interpretation area and replacing it with a reconstructed house of the colonial period which has been found. They also include projects to eliminate health and safety hazards at the present administration building, rather than building a new one as called for in the master plan. The Park Service concurs in these plans.

Knowing of the astronomical rise in construction costs, the Foundation has pared certain items from its original projections and made do with substitutes for other items.

Making improvements in existing national parks is part of this Administration's philosophy and I am told that $225,000 should be sufficient to accomplish the projects outlined above if the money is appropriated for Fiscal Year 1983.

Dr. Casey has given you a candid and honest picture of the needs at the Colonial Farm and I respectfully request that the members of this subcommittee recommend an appropriation of $225,000 for the improvements I've described.

Thank you.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

BLUE RIDGE PARKWAY

WITNESS

BILL HENDON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH CAROLINA

Mr. LOEFFLER. Mr. Hendon.

Mr. HENDON. Thank you, Mr. Chairman.

I am most appreciative of the opportunity to come before you and your subcommittee today to testify in favor of a project in my State, one which is important, however, not only to North Carolina, but to the entire Nation—that is the "missing link" or the final section of the Blue Ridge Parkway.

Mr. Chairman, if I may, I would like to briefly review some of the history associated with this project. As early as 1909, Colonel Joseph Hyde Pratt, head of the N.C. Geological and Economic Survey, dreamed of a "Crest of the Blue Ridge Parkway" that would make available to the public the spectacular beauty of the mountains.

A portion of the project proposed was actually completed and if you drive on the parkway today you drive a portion of the old roadbed. World War I interrupted the "Crest of the Blue Ridge Parkway" and it was not until the National Industrial Recovery Act of June 18, 1933, authorizing the Public Works Administration that the Blue Ridge Parkway became an achievable concept.

At a meeting in the Shenandoah National Park in the fall of 1933, President Roosevelt, Senator Byrd, and Governor Pollard of Virginia, and National Park Service Director Cammerer gave birth to the idea of a parkway that would link the Shenandoah and the Great Smokey Mountains National Parks. Congress acted in June of 1936, and work has gone on for almost 50 years—so that today, the parkway is more than just a scenic link between two parks, it now provides one of the most diversified recreational experiences in America including opportunities for hiking, bicycling, picnicking, camping and other tourist activities.

The parkway has in the past few years been one of the most visited units of the National Park System with almost 17 million visits recorded last year.

Yet, after nearly 50 years since construction began, the planned 470 miles of road are not complete. There remains a 7.7 mile section around Grandfather Mountain in North Carolina to be completed and opened to the public. Today, of that 7.7 miles, 5.1 miles of this "missing link" have been completed, 1.3 miles of roadway, temporary bridges and the Linn Cove Viaduct are under construction—thus leaving 1.3 miles that must be constructed before any of this 7.7 mile stretch can be opened to the public.

Mr. Chairman, as you are aware, the Congress addressed the need for completing this final section last year by providing $3.4 million to begin a 5-year plan of final construction and paving to be finished by the end of 1987.

To continue the 5-year plan we have started, $5.5 million is needed in fiscal year 1983 for the construction of two bridges. Now, I know as well as you that your budget is tight and that $5.5 million is not an insignificant sum. I do hope, however, tnat you will consider my request—a request that is joined by our colleague, Mr. Broyhill, in whose district this project is located—for those funds to complete this national treasure.

As you consider this request among the others, I hope that you will consider that: One, Congress in recent years has appropriated $21 million for construction of the 7.7 mile missing link around Grandfather Mountain—including last year's appropriation to begin work on the final 1.3 mile stretch.

As I have noted, however, none of the 7.7 miles of road can be used by the public until the 5-year plan of road and bridge construction is completed.

Two, there is considerable public interest and citizen support for completing the parkway. The Blue Ridge Parkway created by Act of Congress on June 30, 1936, makes a significant contribution to the economy of many localities and businesses along its 470 miles of scenic roads.

Three, completion will allow the millions of people that visit the Parkway an uninterrupted leisure driving experience. Opening this section around Grandfather Mountain will eliminate the existing detour of 10.8 miles on a U.S. Highway that is hazardous due to moutainous terrain.

Again, Mr. Chairman, I thank you for the time—and for your assistance in this important matter.

[The statement of Representative Hendon follows:]

Fred

STATEMENT OF CONGRESSMAN BILL HENDON
BEFORE THE INTERIOR SUBCOMMITTEE
OF THE
HOUSE APPROPRIATIONS COMMITTEE
13 MAY 1982

Mr. Chairman, I am most appreciative of the opportunity to come before you and the members of the Subcommittee to testify in favor of a project in my state--one which is important, however, not only to North Carolina, but to the entire nation--that is the "missing link" or the final section of the Blue Ridge Parkway.

Mr. Chairman, if I may, I would like to briefly review some of the history associated with this project. As early as 1909, Colonel Joseph Hyde Pratt, head of the N.C. Geological and Economic Survey, dreamed of a "Crest of the Blue Ridge Parkway" that would make available to the public the spectacular beauty of the mountains. A portion of the project Colonel Pratt proposed was actually completed and if you drive on the Parkway today you drive a portion of the old roadbed. World War I interuppted Colonel Pratt's "crest of the Blue Ridge Parkway" and it was not until the National Industrial Recovery Act of June 18, 1933, authorizing the Public Works Administration that the Blue Ridge Parkway became an achievable concept. At a meeting in the Shenandoah National Park in the fall of 1933, President Roosevelt, Senator Byrd and Governor Pollard of Virginia, and National Park Service Director Cammerer gave birth to the idea of a parkway that would link the Shenandoah and the Great Smoky Mountains National Parks. Congress acted in June of 1936 and work has gone on for almost 50 years--so that today, the Parkway is more than just a scenic link between two parks, it now provides one of the most diversified recreational experiences in America including opportunities for hiking, bicycling, picnicking and camping. The Parkway has in the past few years been one of the most visited units of the National Park System with almost 17 million visits recorded last year.

Yet, after nearly 50 years since construction began, the planned 470 miles of road are not complete. There remains a 7.7 mile section around Grandfather Mountain in North Carolina to be completed and opened to the public. Today, 5.1 miles of this "missing link" have been completed, 1.3 miles of roadway, temporary bridges and the Linn Cove Viaduct are under construction--thus leaving 1.3 miles that must be constructed before ANY of this 7.7 mile stretch can be opened to the public. Mr. Chairman, as you are aware, the Congress addressed the need for completing this final section last year by providing $3.4 million to begin a 5 year plan of final contruction and paving to be finished by the end of 1987.

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As you consider this request among the others, I hope that you will consider that:

1. Congress in recent years has appropriated $21,610,000 for construction

of the 7.7 mile missing link around Grandfather Mountain--including last year's appropriation to begin work on the final 1.3 mile stretch. As I have noted however, none of the 7.7 miles of road can be used by the public until the five year plan of road and bridge construction is completed.

2. There is considerable public interest and citizen support for completing the Parkway. The Blue Ridge Parkway created by an Act of Congress on June 30, 1936 makes a significant contribution to the economy of many localities and businesses along its 470 miles of scenic roads.

3. Completion will allow the millions of people that visit the Parkway an uninterrupted leisure driving experience. Opening this section around Grandfather Mountain will eliminate the existing detour of 10.8 miles on a U. S. Highway that is hazardous due to mountainous terrain.

Again, Mr. Chairman, I thank you for the time--and for your assistance in this important matter.

Mr. Loeffler. Thank you, Mr. Hendon.

We will give it every due consideration.

Mr. Hendon. Thank you.

Thursday, May 13, 1982.

NATIONAL PARK SERVICE

Rocky Mountain National Park

WITNESS

HANK BROWN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF COLORADO

Mr. Loeffler. Mr. Brown of Colorado.

Mr. Brown. Thank you, Mr. Chairman. I appreciate the opportunity to address the committee today and I have a prepared statement that I would leave with the committee but I would like to add some personal comments of my own in addition to that statement, if I may.

Mr. Loeffler. Without objection your prepared testimony will appear in the record at this point and you may proceed.

[The statement of Representative Brown of Colorado follows:]

STATEMENT OF HON. HANK BROWN OF COLORADO

BEFORE THE SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES HOUSE COMMITTEE ON APPROPRIATIONS

MAY 13, 1982

Mr. Chairman, I want to speak very briefly on a matter that I previously have written to your committee about involving the acquisition of a scenic easement addition to Rocky Mountain National Park, located in my congressional district in Colorado.

I refer to a parcel of land known as the Old McGregor Ranch, which adjoins the eastern boundary of Rocky Mountain National Park. Several years ago, the National Park Service began negotiations with the trustees of this historic ranch property with the goal of obtaining a scenic easement, so that the 1200-acre ranch would remain a working ranch and become an outstanding addition to the park.

As the committee knows, this type of acquisition cannot be consummated unless the object property is within the national park boundary. In order to accommodate this requirement in the present instance, the boundary of Rocky Mountain National Park was revised by Congress in December 1980 to include, among other parcels, the Old McGregor Ranch. The legislation, Public Law 96-560, provided that the purchase of this scenic easement must be completed within two fiscal years, or the boundary of the park would revert to its original contours at that particular location, if so requested by the ranch trustees.

The National Park Service gave this acquisition a high priority for fiscal 1981 funding. However, your committee had too many other high priority properties, and you were able to earmark land acquisition funds for just eighteen projects.

Because of the time constraint I have just outlined, it is my request that you name the Old McGregor Ranch to the list of properties to be acquired and that an amount of approximately $4 million be appropriated. The exact amount is under negotiation, and the trustees of the ranch and Rocky Mountain National Park officials advise that a figure agreeable to both parties should be arrived at in the not too distant future--certainly before the start of the new fiscal year.

As I further indicated in my written comments to the committee, an effort is underway to bring about an exchange involving the National Park Service, the Bureau of Land Management, and the nonprofit group known as the Nature Conservancy. If this exchange can be worked out, it would be an excellent resolution of the funding problem. However, there is no guarantee this exchange can be worked out in the immediate future or in what would be considered a timely manner, given the time deadline factor.

My request, then, remains one of earmarking $4 million for this acquisition with the provision, in a footnote or in report language, that the funds would not be expended for this scenic easement if the pending exchange is consummated. Mr. Chairman, I hope your committee can give this project careful consideration as you look at all of the land acquisition requests.

Mr. **Brown**. This is a map of the area of concern, Rocky Mountain National Park which includes Trail Ridge Road, the highest highway in the Nation. It includes a number of very spectacular scenes. Adjacent to that park is a small town called Estes Park which basically serves that area, and is surrounded by the national park, national forest on the other side and a wilderness area off to the west side of the park. It is a favorite vacation spot of millions of people. Most of our most ardent visitors though come from Texas and a few from the State of Illinois.

The area in question is a shaded area between the national park and Estes Park. It is an area eminently developable. It is a very valuable piece of property for potential commercial or real estate development use.

It was included in the park in a boundary adjustment in 1980. In P.L. 96-560 this provision was added: "If after the completion of two complete fiscal years following the date of enactment of this Act the Secretary of the Interior has not purchased the interest of the lands of approximately 1,200 acres located in the area referred to as E-2, then the lands, on the petition of the people who own, or trustees of the Old McGregor Ranch can be excluded from the park."

In other words, if we don't act, that area can be excluded from the park and we will lose it. It is far more valuable in my view than the amount we seem to be able to acquire it for in the way of a scenic easement. So, there is some urgency about that because it will be lost to the park if we don't act. I think it is an exceptional buy. It is an opportunity we simply will lose unless it receives the priorities it needs this particular year.

So, I would urge the committee to give it all the consideration it can.

Mr. **Loeffler**. Thank you, Mr. Brown. One question. What is the total acreage of this proposed inclusion of the Old McGregor Ranch?

Mr. **Brown**. It is approximately 1,200 acres.

Mr. **Loeffler**. Thank you, Mr. Brown. Without objection your letter to the Chairman and attached material thereto will appear in the record at this point.

[The information follows:]

HANK BROWN
4th District, Colorado

COMMITTEE:

INTERIOR AND INSULAR AFFAIRS

STANDARDS OF OFFICIAL
CONDUCT

Congress of the United States
House of Representatives
Washington, D.C. 20515

OFFICE ADDRESS:
[illegible] LONGWORTH BUILDING
WASHINGTON, D.C. 20515
(202) [illegible]

DISTRICT OFFICES:
1015 27TH AVENUE COURT
SUITE 101A
GREELEY, COLORADO 80631
(303) [illegible]

200 FEDERAL BUILDING
FORT COLLINS, COLORADO 80521
(303) [illegible]

FEDERAL BUILDING
GRAND JUNCTION, COLORADO 81501
(303) [illegible]

ROOM 9, 300 MAIN STREET
FORT MORGAN, COLORADO 80701
(303) [illegible]

ADAMS COUNTY
(303) [illegible]

March 29, 1982

Hon. Sidney Yates, Chairman
Subcommittee on Interior
House Appropriations Committee
B 308 Rayburn Building
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing to ask that your committee give consideration to funding the acquisition of a scenic easement by Rocky Mountain National Park in fiscal 1983.

This acquisition is known as the Old McGregor Ranch - property that was included within the boundaries of Rocky Mountain National Park (RMNP) through the passage of the Colorado Wilderness Act of December, 1980, PL 96-560. As you will note from the attached, Sec. 111 (e) of that Act provided that the purchase of these interests must be completed within two complete fiscal years or the boundary of RMNP could revert to its original contours at that particular location.

The acquisition of the Old McGregor Ranch has been the subject of negotiation with the trustees of the ranch, and agreement should be reached before we start the new fiscal year on October 1, 1982.

The initial estimated funds needed are at or near $4 million.

In light of our tight budget and the heavy demands on the Land and Water Conservation acquisition funds, an effort has been underway to bring about an exchange involving the National Park Service, another federal agency, and Nature Conservancy. This would be an excellent resolution to the funding problem, but there is no guarantee that this can be consummated before time runs out. Perhaps it would be possible to earmark funds for this acquisition in the bill you are working on at this time with a footnote or report language making it clear the funds would not be expended if the property is acquired by exchange.

The acquisition of this ranch property has been "in the works" for some years, and the addition of a working ranch to RMNP will be a valuable action that will protect the scenic and real property assets of the Park.

I urge you to give careful consideration to this request.

Sincerely,

Hank

Hank Brown
Member of Congress

HB/cb

cc: Hon. Joseph McDade

Enclosure

Department of the Interior, and the Office of the Chief, Forest Service, Department of Agriculture: *Provided*, That the area shown on such map as E-5 and known as the Twin Sisters area shall remain a part of the Rocky Mountain National Park. All lands added or tranferred by this Act to Rocky Mountain National Park, Roosevelt National Forest, and Arapaho National Forest shall be subject to the laws and regulations applicable to the appropriate National Park or National Forest. Lands within the Indian Peaks Wilderness Area as designated by Public Law 95-450 (92 Stat. 1099) that are transferred by this Act to Rocky Mountain National Park shall remain in the National Wilderness Preservation System. Lands within the Rocky Mountain National Park that are adjacent to the Indian Peaks Wilderness and that are transferred by this Act to the Roosevelt National Forest shall be incorporated in and become part of the Indian Peaks Wilderness.

16 USC 460jj note.

(b) The Secretary of the Interior, with respect to lands added or transfered by this Act to Rocky Mountain National Park, and the Secretary of Agriculture, with respect to lands added or transferred by this Act to Roosevelt and Arapaho National Forests, may acquire lands and interests in such lands, by donation, purchase with donated or appropriated funds, or by exchange. The Secretary of Agriculture, under the provisions of the Act of March 20, 1922 (42 Stat. 465), as amended, may accept on behalf of the United States title to any land in section 30, township 7 north, range 73 west, of the sixth principal meridian which lies within the boundary of Rocky Mountain National Park as revised by this Act, in exchange for which the Secretary of the Interior, notwithstanding section 8(a) of the Wild and Scenic Rivers Act (Public Law 90-542, 82 Stat. 906), is authorized to issue patent to lands lying within the Cache La Poudre Wild and Scenic River study corridor. Upon completion of the exchange, the Secretary of Agriculture shall transfer to the administrative jurisdiction by the Secretary of the Interior the portion of such land lying within the boundary of the Rocky Mountain National Park as revised by this Act.

16 USC 485, 486.

16 USC 1279.

(c) The Federal lands within the administrative jurisdiction of the Bureau of Land Management and within the areas referred to as E-2 and GL-3 on the map referred to in subsection (a) shall be transferred to Rocky Mountain National Park without transfer of funds.

(d) If the city of Longmont, Colorado, notifies the Secretary of the Interior that lands within the area referred to as E-3 on the map referred to in subsection (a) of this section that are owned by such city are necessary for the development of a reservoir, the Secretary shall by publication of a revised boundary description in the Federal Register revise the boundary of Rocky Mountain Park within such area to exclude the lands which are necessary for the development of the reservoir: *Provided*, That the authority of such Secretary to revise the boundary for this purpose shall expire on November 1, 1981; and the only lands which may be excluded are the approximately one hundred twenty-nine acres owned by such city.

(e) If after the completion of two complete fiscal years following the date of enactment of this Act the Secretary of the Interior has not purchased interests in the lands of approximately one thousand two hundred acres known as the Old McGregor Ranch located within the area referred to as E-2 on the map referred to in subsection (a), and the owner of such lands petitions the Secretary to exclude such lands from Rocky Mountain National Park, the Secretary shall by publication of a revised boundary description in the Federal Register return the boundary of Rocky Mountain National Park in such area E-2 to the boundary as it existed before the enactment of this Act.

(f) The Secretary of the Interior shall convey, to the city of Grand Lake, Colorado, without compensation or consideration, the lands, not to exceed two acres, within the area referred to as GL-5 on the map referred to in subsection (a).

(g) The Secretary of the Interior may provide for the use of snowmobiles along the East Shore Trail of Shadow Mountain Lake if after study the Secretary determines such use will not result in any significant adverse impact upon wildlife.

TITLE II

SEC. 201. In furtherance of the purposes of the Wilderness Act, the following lands are hereby designated as wilderness, and therefore, as components of the National Wilderness Preservation System—

(a) certain lands in the Mark Twain National Forest, Missouri, which comprise approximately eight thousand five hundred and thirty acres, are generally depicted on a map entitled "Bell Mountain Wilderness—Proposed", dated February 1980, and shall be known as the Bell Mountain Wilderness; 16 USC note.

(b) certain lands in the Mark Twain National Forest, Missouri, which comprise approximately three thousand nine hundred and twenty acres, are generally depicted on a map entitled "Rockpile Mountain Wilderness—Proposed", dated February 1980, and shall be known as the Rockpile Mountain Wilderness; 16 USC note.

(c) certain lands in the Mark Twain National Forest, Missouri, which comprise approximately eight thousand four hundred acres, are generally depicted on a map entitled "Piney Creek Wilderness—Proposed", dated February 1980, and shall be known as the Piney Creek Wilderness; 16 USC note.

(d) certain lands in the Mark Twain National Forest, Missouri, which comprise approximately six thousand eight hundred acres, are generally depicted on a map entitled "Devils Backbone Wilderness—Proposed", dated February 1980, and shall be known as the Devils Backbone Wilderness; 16 USC note.

(e) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately five thousand one hundred acres, are generally depicted on a map entitled "Wambaw Swamp Wilderness—Proposed", dated May 1980, and shall be known as the Wambaw Swamp Wilderness; 16 USC note.

(f) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately one thousand nine hundred and eighty acres, are generally depicted on a map entitled "Hell Hole Bay Wilderness—Proposed", dated May 1980, and shall be known as the Hell Hole Bay Wilderness; 16 USC note.

(g) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately five thousand acres, are generally depicted on a map entitled "Little Wambaw Swamp Wilderness—Proposed", dated May 1980, and shall be known as the Wambaw Swamp Wilderness; 16 USC note.

(h) certain lands in the Francis Marion National Forest, South Carolina, which comprise approximately one thousand six hundred and forty acres, are generally depicted on a map entitled "Wambaw Creek Wilderness—Proposed", dated May 1980, and shall be known as the Wambaw Creek Wilderness; 16 USC note.

(i) certain lands in the Kisatchie National Forest, Louisiana, which comprise approximately eight thousand seven hundred 16 USC note.

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Thursday, May 13, 1982.

NATIONAL PARK SERVICE

Land Acquisition, Biscayne National Park

WITNESS

HON. DANTE B. FASCELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. Loeffler. Mr. Fascell.

Mr. Fascell. Mr. Chairman, I have a prepared statement which I would like to submit for the record and proceed extemporaneously for a minute, if I may.

Mr. Loeffler. Without objection, so ordered.

Mr. Fascell. I don't envy the job that this subcomittee has or the full committee, for that matter, to try and balance off vital interests with respect to our national park needs and other matters as far as the budget is concerned.

As for projects in my own district, the committee has been very considerate and I am grateful for that. There has been a recognition by this subcommittee of the national importance of one particular project in my district—Biscayne National Park.

But I wanted to emphasize something which is a dilemma in terms of national policy, which you face and which all of us should recognize, and then show how that impacts, let's say, in one case which happens to be in my District and I use that only because I am familiar with it.

Two things seem to me to be critical. One is the moratorium. How long shall it last and what is its real purpose? It has to be examined very critically.

I see nothing wrong with basic reexamination or looking for new ways to do things. I think that is great. But if it takes a long period of time then what we are doing is reexamining fundamental criteria on which decisions have already been made and I think that is something else again.

But the time factor, therefore, in the implementation of this review is a very important one which is clearly something that this committee has to focus on very carefully, and I am sure you are.

The second factor involves fairness to property owners. It impacts on every single project. Biscayne National Park has been selected as one of seven alternative-to-purchase studies. The authorizing committee, I think very wisely, put a time limit on the acquisition of property in Biscayne National Park. Now we are running up against the 3-year mandate for purchase.

The committee put some money in last year and we need the balance of it this year in order to finish the acquisition if we are going to do it. If the money is held up, because of the restudy or the possibility that we are going to do other things, we have got a real problem. The temptation would be great.

I would sincerely hope that that would not be the case in this project.

It is bad enough now. You have private property within designated areas and no acquisition. We have that problem all over the country and we need to get rid of that as fast as we can. I think it is grossly unfair to property owners to stick them in the designated area and then never acquire their property, or to do it with some kind of, what amounts to, an involuntary easement for the public use.

We have either a valid public use which requires acquisition of the property in the public interest or we don't. We think that decision has been made.

It is fair enough to review it to see if you can do something better that is less costly to the Federal Government. That is fair enough.

But don't take so long that what you ultimately do is destroy the actual project itself, and in the process, impinge even further on the property owners who can't get their money in order to do something else.

We need to get the property owners out of this as fast as possible if we really have made the decision that this is in the national interest to acquire, and I think it is.

I don't think every national park can really be a county or State park. I don't think we can do that. I think that would be manifestly unfair. It would not only be unfair, it would destroy a system that we have spent a long time in building up.

There can be some readjustments, obviously, and they need to be made.

In this specific case, I would urge that the committee go right ahead with what it has already indicated it wants to do at Biscayne National Park which is to acquire all the private property within the 3-year time period. It is not a big project. It can be done and that would at least solve one tiny problem for a very unique park.

So, the national considerations are vital. I fully respect what this committee has to do. I know that the equities have to be balanced when you are allocating the money. I make two points in conclusion which I believe are fundamental: One, is to reimburse the property owners as rapidly as possible; the other is not to let the moratorium process, the review process, drag on so long that the alternative winds up being more costly than the present process.

Thank you very much.

Mr. **Loeffler**. I thank the gentleman. At this point, your statement as well as your letter to the chairman of the subcommittee will appear in the record. Mr. Lehman's letter may also go into the record.

[The statement of Mr. Fascell and the letters to Mr. Yates follow:]

STATEMENT OF CONGRESSMAN DANTE B. FASCELL (15th DISTRICT, FLORIDA) BEFORE THE INTERIOR SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE

May 13, 1982

Mr. Chairman and members of the subcommittee, I very much appreciate your providing this opportunity to appear before you in behalf of projects which I believe are of considerable importance, not only to those in my own district but to those nationwide who are concerned about the preservation of our natural resources.

I am well aware of the very difficult task you have before you, as we all do, in acting responsibly and decisively to bring down the intolerable budget deficits we are facing now and in the immediate future. We must limit our spending while, at the same time, do what is necessary to increase our national revenues. These issues are under intense consideration by our colleagues in all our committees. However, it is also imperative that we plan for the future as well and this includes ensuring that the next generations will continue to have those things which provide for an excellent quality of life. Once the opportunity for preserving a natural area for park purposes is lost, it can never be regained. It is gone forever.

The Land and Water Conservation Fund must be provided with sufficient funds to make the property acquisitions which are necessary to ensure this preservation. We in the Congress have a responsibility to ensure that the Secretary of the Interior's moratorium on federal land acquisition not be permitted to continue for two very important reasons. The first is the one I have just mentioned--to protect the resource. The second is to provide prompt and fair payment to those property owners who must continue to pay local taxes on their property without being able to realize any income from it. These individuals must be paid by the federal government for lands that are within designated federal projects so they can get their money out and invest it elsewhere. Not only is this the only fair thing to do with respect to the individual property owner, but it will provide badly needed investment capital in other areas which we so desperately need in today's economic climate.

The Biscayne National Park in South Dade County, Florida, is a case in point. The legislation authorizing the expansion of the boundaries of this national park was adopted in 1980. The Act specifically mandates that all privately owned lands within the park be acquired within three fiscal years of enactment and authorizes an expenditure of $10 million for this purpose. In addition, lands owned by the State of Florida and Dade County were to be donated to the federal government.

No funds for private land acquisition were provided in FY 1981. In FY 1982, despite the fact that no funds were requested in the President's budget, your subcommittee approved $5 million, although the amount Congress subsequently appropriated was $1.9 million. For FY 1983, the remaining $8.1 million is required in order to meet the mandate of private land acquisition within three years.

Despite the congressional mandate, the administration appears to be intentionally ignoring the will of the Congress by not supporting timely land acquisitions, particularly in the case of Biscayne but also in other areas as well. Biscayne was recently one of seven case studies for alternate methods of acquisition conducted by the Department of the Interior. While the final report on this study has not yet been issued, the study was directed at consideration of not acquiring certain privately owned lands and, instead, relying on state and local zoning and other regulations to ensure their protection. Mr. Chairman, if the Congress had believed that State and local regulations were adequate to provide such protection, we would not have included these lands in the Park in the first place. Furthermore, the unfairness to the property owners, as I indicated earlier, is obvious.

The areas to be acquired include several small islands and a strip of mangrove along the shoreline. The State of Florida has already authorized the donation of the state-owned bay bottom lands within the boundaries. Dade County is being asked to donate its County parks within the boundaries to the federal government. The privately owned lands have been clearly identified as being ecologically unique and in need of protection. The owners are, for the most part, willing and, in many cases, most anxious to sell. The only possible buyer is the federal government and, to date, it is stalling. It is imperative that the funds be appropriated and that the administration move ahead with acquisition on a timely basis to fulfill its commitment not only to the property owners but to those who are deeply concerned about the preservation of this area.

Other projects in South Florida which also badly require prompt funding to the fullest possible extent for the same reasons as Biscayne--protection of the resource and fairness to the property owners--include the Crocodile Lake National Wildlife Refuge; Big Cypress National Preserve; and acquisition of No Name Key for the Key Deer National Wildlife Refuge. Portions of the Crocodile Lake and Key Deer Refuges are particularly threatened by commercial and residential development, and court orders in the Big Cypress necessitate the appropriation of the remainder of the funds required to purchase privately-owned lands there.

With respect to the donation of the State and County lands, I would like to bring out a point which, though it is not directly within the purview of this subcommittee, needs to be placed on the record. I have already done so in testimony before another subcommittee; however, I feel so strongly about it that I do not wish to let any chance for speaking out go by and I beg your indulgence.

The federal land policy which has been adopted by this administration by Executive Order with respect to the disposal of surplus federal lands is placing an extreme hardship on our state and local governments. Although the

States and Counties are expected to donate their valuable lands to the federal government for projects such as the Biscayne National Park, the Executive Order now requires the federal government to seek to realize a profit by the sale of surplus real property rather than by donating it to State and local governments for public benefit purposes such as parks and recreation. This is exceedingly unfair, particularly at a time when the States and localities are being expected to assume more and more responsibility for providing services when their own budgets are strained beyond the limit already. Dade County has been caught in this squeeze. There are presently three parcels of surplus federal land which had just been approved for transfer to the County when they were frozen by the new policy. The County is seriously considering holding the lands which were to be donated for Biscayne hostage until this issue is resolved. The County would consider using these lands as a swap for the lands it wishes to acquire, and this makes sense to me from its standpoint. However, not all States or Counties may have land which the federal government wants and would not be in such a fortunate position.

Mr. Chairman, I thank you for your indulgence and urge your serious consideration of the points I have raised. In particular, I ask your approval for the remaining $8.1 million for Biscayne land acquisition which is required to meet the mandate which we set for ourselves three years ago. I deeply appreciate your favorable actions in the past and hope you will continue to recognize the worthiness of this project.

###

[illegible]
[illegible] DISTRICT, FLORIDA

COMMITTEES:
FOREIGN AFFAIRS
[illegible]
[illegible]
GOVERNMENT OPERATIONS
[illegible]
COMMISSION ON SECURITY AND COOPERATION IN EUROPE
CHAIRMAN
CANADA—UNITED STATES INTERPARLIAMENTARY GROUP
CO-CHAIRMAN, U.S. DELEGATION

[illegible]
ADMINISTRATIVE ASSISTANT

Congreſs of the United States
House of Representatives
Washington, D.C. 20515

November 23, 1981

The Honorable Sid Yates
Chairman
Subcommittee on Interior
House Appropriations Committee
Washington, D.C. 20515

Dear Sid:

Title I, Sec. 102(b) of P.L. 96-287, establishing the Biscayne National Park, states "It is the express intent of the Congress that the Secretary shall substantially complete the land acquisition program authorized herein within three complete fiscal years from the effective date of this Act." The Act was signed into law on June 28, 1980. Since no land acquisition funds have been provided for Biscayne National Park in Fiscal Years 1981 or 1982, FY 1983 remains the final year in which the privately-owned lands must be acquired.

The most important point is that the authorizing committee, by placing a time limitation on land acquisition for a national park, has placed a priority on that park's land acquisition over other authorized parks which do not have a fixed time period for acquisition. Therefore, I am respectfully urging your consideration to follow through on that priority in the 1983 appropriations bill.

The Act authorizes $8.5 million for land acquisition. I fully support the priority established by the Act, not only for the environmental reasons which the authorizing committee had in mind, but also because I have long believed that property owners of lands designated for government-taking must be compensated in the shortest possible time so they are not forced to continue to pay local taxes on property which, for all practical purposes, they cannot develop nor reap any gain. To do otherwise amounts to condemnation without compensation. For this reason, I seek your support for inclusion of the entire $8.5 million in the FY 1983 Interior Appropriations bill next year.

Sincerely,

Dante
DANTE B. FASCELL
Member of Congress

DBF:BB

WILLIAM LEHMAN
18th District, Florida

Committee:
APPROPRIATIONS

Subcommittee on
Foreign Operations

Subcommittee on
Transportation

Subcommittee on
District of Columbia

Congress of the United States
House of Representatives
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(202) 225-4211

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2020 NE. 163d Street
North Miami Beach, Florida 33162
(305) 945-7518

Please reply to district office ☐

March 29, 1982

Honorable Sidney R. Yates, III
Chairman
Subcommittee on Interior
B308 Rayburn HOB

Dear Sid:

The Administration has failed to request funds for the purpose of acquiring land for Biscayne National Park. I would like to voice my strong support for the efforts of Congressman Dante Fascell to see that sufficient funding is provided.

The legislation that authorized the expansion of Biscayne National Park mandated that the land should be acquired within three fiscal years. Fiscal year 1983 is the last year in which the land is to be obtained. $8.1 million is necessary to complete this process and I urge you and your subcommittee to look favorably on this request.

Your cooperation on this matter will be greatly appreciated by myself and by all the people of Florida.

With best wishes, I am

Sincerely,

Bill

WILLIAM LEHMAN
Member of Congress

WL/mar

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

THURSDAY, MAY 13, 1982.

FOREST SERVICE

LAND ACQUISITION, LAKE TAHOE

WITNESS

HON. JIM SANTINI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEVADA

Mr. LOEFFLER. Mr Santini, the gentleman from Nevada.

Mr. SANTINI. Mr. Chairman, I would request that my entire statement be entered at this point in the committee's record.

Mr. LOEFFLER. Without objection, so ordered.

[The statement of Mr. Santini follows:]

LAKE TAHOE

STATEMENT OF CONGRESSMAN
JIM SANTINI

MR. CHAIRMAN, I AM BACK AGAIN BEFORE YOUR ESTEEMED COMMITTEE ON MY FAVORITE SUBJECT -- LAKE TAHOE. I SIMPLY WANT TO URGE YOU TO EXERCISE THE SAME GOOD JUDGEMENT YOU SHOWED LAST YEAR BY FUNDING THE SANTINI-BURTON ACT, PL 96-586. THE SANTINI-BURTON ACT, AS YOU WILL RECALL, ESTABLISHES A PROGRAM FOR THE U.S. FOREST SERVICE TO PURCHASE ENVIRONMENTALLY SENSITIVE LAND IN THE LAKE TAHOE BASIN TO PREVENT FURTHER WATER QUALITY DEGRADATION. THE OTHER HALF OF THE PROGRAM, MR. CHAIRMAN, REQUIRES SALE OF URBAN BUREAU OF LAND MANAGEMENT PROPERTY IN THE LAS VEGAS VALLEY. THE REVENUES FROM THESE URBAN PUBLIC LAND SALES WILL BE USED TO PAY BACK THE TAHOE ACQUISITION MONIES. ALL TAHOE APPROPRIATIONS MUST BE REPAID BY 1995.

THIS YEAR, MR. CHAIRMAN, WE ARE SEEKING $10 MILLION FROM THE LAND AND WATER CONSERVATION FUND FOR THE LAKE TAHOE PROGRAM. I BELIEVE THIS IS A REALISTIC REQUEST AND FAR LESS THAN THE LAW AUTHORIZES.

THE NATIONAL PARKS AND CONSERVATION ASSOCIATION SUPPORTS OUR $10 MILLION REQUEST FOR FY 83. AND IN OUR FULL INTERIOR COMMITTEE BUDGET RECOMMENDATIONS, WE RECOMMEND THAT NOT LESS THAN $7 MILLION OF THE FOREST SERVICE LAND AND WATER CONSERVATION FUND BE ALLOCATED FOR THE SANTINI-BURTON TAHOE PROGRAM.

I WOULD OFFER THREE REASONS WHY I BELIEVE THE TAHOE ACQUISITION MUST PROCEED AS RAPIDLY AS POSSIBLE.

1. THE RECENTLY PUBLISHED ENVIRONMENTAL IMPACT STATEMENT FOR PL 96-586 CONFIRMS THAT THESE ARE ENVIRONMENTALLY SENSITIVE LANDS WHICH NEED FOREST SERVICE PROTECTION.

   LAKE TAHOE IS DETERIORATING. THE LAKE'S EXCEPTIONAL CLARITY HAS ALREADY DECLINED IN THE LAST DECADE. AND IF THIS trend continues, Lake Tahoe's spectacular blue colors will change.

2. Because of local and regional efforts to regulate growth and slow-down development, many people in the Tahoe Basin are being hurt -- they can't use their property and they can't sell it. The Forest Service estimates that there are about 21,000 acres, including close to 8,000 lots, which are environmentally sensitive in the Tahoe Basin.

3. There are growing pressures in the Tahoe Basin to relax the constraints on development. We cannot afford to wait or defer Tahoe acquisitions, or we may lose the opportunity forever.

Mr. Chairman, I urge your subcommittee's support of a program I believe is critical to the protection of Lake Tahoe, now and in the future. I am deeply disappointed that this Administration has demonstrated so little support by failing to put Tahoe acquisition money in the budget. In my opinion, the Administration passed up a good opportunity to actually be a good neighbor to the West. Tahoe acquisition, like many other worthy projects under the Land and Water Conservation fund, are an investment in our future.

Thank you.

97th Congress
2d Session } **COMMITTEE PRINT NO. 4**

REPORT

TO THE

COMMITTEE ON THE BUDGET

VIEWS AND ESTIMATES

OF THE

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS
HOUSE OF REPRESENTATIVES

SUBMITTED PURSUANT TO SECTION 301 OF THE CONGRESSIONAL BUDGET ACT OF 1974

ON THE

BUDGET PROPOSED FOR FISCAL YEAR 1983

MARCH 15, 1982

Printed for the use of the Committee on Interior and Insular Affairs

U.S. GOVERNMENT PRINTING OFFICE
[illegible] O WASHINGTON : 1982

lation of land values and consequent greatly increased final acquisition cost of these lands is a matter of major concern.

Moreover, delays in completing these acquisitions often give rise to a situation of gross unfairness for many landowners within the authorized boundaries. The normal sales market for properties is often virtually eliminated once private lands within park boundaries designated for eventual acquisition. When the Federal Government itself does not promptly proceed with the intended acquisition, the landowner is "locked in" with no opportunity to sell his property to any other buyer, so he can then move onward to reestablish elsewhere. This situation is clearly unfair to landowners.

The administration request for fiscal year 1983 of $70 million would barely cover pending condemnation actions and is clearly inadequate to reduce the land acquisition backlog authorized by the Congress. The Committee recognizes the necessity for fiscal restraint. However, the proposed administration budget for the LWCF, which would zero out any funding for the States and would reduce Federal expenditure to payment of expected court settlements and judgments, circumvents the authorizations enacted by the Congress and will work further hardships upon landowners with park boundaries.

Accordingly, the Committee recommends the following for the Federal side of the LWCF.

National Park Service	$150,000,000
U.S. Forest Service	27,000,000
Bureau of Land Management	3,000,000
U.S. Fish and Wildlife Service	16,000,000
Total	196,000,000

This recommendation would maintain the Federal agencies acquisition funds at the level of appropriations made for fiscal year 1982 except for the National Park Service. In the case of the National Park Service the Committee recommends $50 million to pay for court settlements and to honor judgments and that $100 million, the same as was appropriated in fiscal year 1982 be added to reduce current backlog of land acquisition. The Committee recommends that the Department of the Interior be instructed to proceed expeditiously to complete acquisition of lands within authorized boundaries in accordance with general managements plans. Where compatible with a unit's general management plan, first priority should be given to acquisition from willing sellers where hardship exists and to cases where the threat of resource damage is imminient.

Of the funds allocated to the U.S. Forest Service the Committee recommends priority be given to acquisition of the highest resource value projects, but not less than $7 million shall be allocated to acquisition of lands in the Lake Tahoe Basin as authorized by Public Law 96-586.

Allocations for State recreation grants from the LWCF for the last 5 years are as follows:

Fiscal year:	
1978	$305,700,000
1979	369,600,000
1980	299,700,000
1981	173,745,000
1982	0

Forest Service

	FY 1983 Request
Appalachian NST	$ 1.4
Bald Eagle Habitat	2.0
Boundary Waters Canoe Area	3.1
Cascade Head SRA	0.8
Chequamegon NF	1.8
Columbia Gorge	0.5
Eleven Point WSR	1.2
Endangered Species	0.1
Flathead WSR	0.5
Lake Tahoe	10.0
Middle Fork Feather WSR	1.0
Middle Fork of Salmon WSR	1.0
Mt. Rogers NRA	0.6
Pacific Crest Trail	0.3
Salmon River Main Stem	1.5
Sawtooth NRA	4.7
Spruce Knob/Seneca Rocks NRA	1.0
Whiskeytown Shasta Trinity NRA	0.5
Other High Prioirity WSR's	0.5
Wildlife Habitat Management	0.5
High Priority Recreation	5.0
High Priority Wilderness	3.0
Acquisition Management	8.0
Deficiencies & Inholdings	1.0
TOTAL	49.5

Other Forest Service Projects which may require funding:

Alpine Lakes	20+
Mt. St. Helens	20+

Mr. **Santini**. The specific subject of this appeal and request is the Santini-Burton legislation which is a unique combination of authors. I know, and the chairman is startled and amazed. This provides for the sale of BLM Checkerboard in the Los Vegas area, the proceeds of which primarily go to the purchase of sensitive lands in the Tahoe Basin. The program is underway now.

As a result of the support of this committee, in the last fiscal year $6.7 million was appropriated to begin the acquisition program authorized by the Santini-Burton legislation. That program is underway as a consequence this year. There will be approximately 300 lots lined up for purchase, approximately 2,000 acres in the Tahoe Basin.

The Tahoe Basin is in desperate need of environmental help and assistance and this unique program provides an initiative, I think, that is going to set something of a direction and a landmark for further Federal land sale and acquisitions.

I very much appreciate the support of this committee in the last appropriations go-around and very much hope that this committee will consider the $10 million request that we propose for fiscal year 1983.

In order that the chairman maintain his 100 percent voting percentage on the House floor, I will terminate my testimony at this point.

Mr. **Loeffler**. I thank the gentleman and I assure you that we will take a very close look at it.

At this point we will stand in recess until the gentlemen from Nevada and Texas have a chance to go cast a vote.

[Brief recess.]

Thursday, May 13, 1982.

FOREST SERVICE

Land Acquisition, Lake Tahoe

WITNESS

HON. VIC FAZIO, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. **Loeffler**. The committee will reconvene. Mr. Fazio.

Mr. **Fazio**. Thank you, Mr. Loeffler. I appreciate the opportunity to be here with you today.

I simply want to reiterate some of the words that were uttered by my esteemed colleague, Mr. Santini. The Nevada and California delegations have often been at odds on what ought to be done about Lake Tahoe, but in this instance, we are totally united in our request to the committee that we find at least the $7 million that you were kind enough to allocate to us last year once again in this year's budget.

We are authorized at the $20 million level but we know the tremendous pressure that exists on this and all appropriations subcommittees to allocate funding in amounts that would far exceed whatever I am sure the Budget Committee will permit us to spend.

But Tahoe is a unique and almost unmatched resource. Only one other Alpine lake anywhere in the world approximates it. It is threatened by the erosion on a number of hillside lots. The sedimentation is increasing. Algae production is a threat to the lake's future.

I know that the entire California delegation joins with the entire Nevada delegation in our fervent request that this year, even with the slowdown in BLM land sales in the Las Vegas area, that we stay on course with the kind of appropriations that you were so kind to give us last year.

This is what we believe to be the only fair solution to the future of the lake, environmentally as well as for the property owners who have been held in abeyance and who need to be given either assurance that their land can be purchased or that they can go ahead and build.

We have all concluded that building, certainly in high erosion areas, would be disastrous. So as a fair and free enterprise solution to their problem and as an environmental antedote to the problems the lake continues to have, we most sincerely request the kind attention you gave us last year. We throw ourselves on the mercy of this court.

Mr. LOEFFLER. I thank the gentleman.

I do not have any questions. We will be working with you and, without objection, the prepared testimony from the gentleman from California will appear in the record at this point.

Mr. FAZIO. Thank you very much.

[The statement of Mr. Fazio follows:]

Testimony of the Hon. Vic Fazio
before the
House Appropriations Subcommittee on the Interior
The Hon. Sidney R. Yates, Chairman
May 13, 1982

Mr. Chairman and members of the Subcommittee, I appreciate the opportunity to appear briefly before you today on behalf of the on-going effort to save Lake Tahoe, which this Subcommittee has wisely supported in the past. As you are aware, the budget climate this year is at best no better than last year. With particular respect to the Land and Water Conservation Fund, from which Tahoe moneys are technically derived, the Administration has again proposed virtual zero funding. Only $7.56 million is proposed for the Forest Service portion of the Land and Water Conservation funds, and that is to close existing cases and settle court actions still pending.

It will not be easy for the Subcommittee to reconcile the demands upon it with the dollars available. None of us really know at this point how many dollars will be available. None of us really know at this point how many dollars will be available for any purpose in the entire federal budget. Yet it appears from most proposals that the level of funding for discretionary domestic programs could end up level with last year, which would mean that some restoration of the Land and Water Conservation Fund is possible. Judging by your actions last year, restoration is likely. If the fund is revived, I believe there are compelling reasons why $10 million dollars for Lake Tahoe deserves to be a high priority among your considerations.

The Tahoe program, as you know, was authorized by P.L. 96-586, otherwise known as the Santini-Burton bill. It established a process by which proceeds from sales of BLM lands in Las Vegas would be converted into purchases by the Forest Service of lands in the Tahoe Basin particularly critical to the Lake's world-renowned water quality.

Though the land sales in Las Vegas have slowed recently because of the recession and high interest rates, that should not be allowed to slow down the badly needed progress in the Tahoe Basin. The Santini-Burton bill allocated to Tahoe revenues that have accrued from actual Las Vegas sales since 1978, which total $14 million. In fiscal 1982 this Congress spent $6.72 million, which means that over $7 million remains unspent from the sales already achieved. In addition, the Santini-Burton bill authorized the appropriation of $10 million in fiscal 1982 and $20 million in fiscal 1982 without regard to the sales in Las Vegas. The purpose of that authorization was to ensure that progress at Lake Tahoe is not delayed by difficulties in Las Vegas.

These figures combine to mean that of the $34 million authorized for Lake Tahoe purchases from the Land and Water Conservation Fund, $27 million remains unappropriated, a good portion of which represents revenues already obtained. Therefore I would hope that the Subcommittee would find it appropriate to follow the clear Congressional expression in the Santini-Burton bill that the Lake Tahoe program proceed in fiscal 1983.

As the Subcommittee is aware, Mr. Chairman, the Santini-Burton bill aimed itself at what is perhaps the Lake's most severe and intractible problem: the existence of thousands of single family lots zoned but unbuilt upon on the slopes around the Lake. The lots are currently prevented from development primarily by lack of sewage capacity. Were they to be constructed upon, serious and virtually irreversible damage would be done to the Lake by excessive sedimentation. The Lake is unique in the nation and has only one real counterpart in the world. These values would be destroyed.

On the other hand, if the thousands of individual property owners do not get some relief, or if they are not allowed to build, they will suffer severe financial losses through no fault of their own.

The solution is to purchase the lots, which can be done only through a coordinated government program by an agency such as the Forest Service.

It is important to purchase more single family lots in 1983 not only to protect the Lake from the consequences of development on them alone. It is important for political and psychological reasons to maintain the momentum of the Santini-Burton program. Confidence that the lot owners will be rescued from their plight has enabled the political forces within the Basin to settle down so that reasoned compromises between are possible on a number of issues. Loss of that confidence will once again push the Basin into a situation where groups contend with each other, with the Lake itself being the ultimate victim of the political strife.

For these reasons I would strongly urge the Subcommittee to maintain the federal effort at Lake Tahoe and to appropriate $10 million for it in 1983. This year's program has gone very well and the money appropriated thus far will have been consumed or committed by this October. The Forest Service can put $10 million to good use next year. I think the value of the program there is clearly evidenced by the support it has derived from various political quarters and is reflected in the variety of the members who will or who have come before you to support it. This will be money well-spent for present and future generations.

Thank you very much.

THURSDAY, MAY 13, 1982.

BUREAU OF LAND MANAGEMENT

MINERAL FILING FEE INCREASE

WITNESS

HON. MARTIN FROST, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. **LOEFFLER**. The gentleman from Texas, Mr. Frost.

Mr. **FROST**. Mr. Chairman, I appreciate being given the opportunity to appear here today to discuss some of the policies and practices of the Department of the Interior.

I would like to focus on one that I feel is particularly important; that is the Department's final rulemaking of January 20, 1982, which raised the filing fee on noncompetitive oil and gas leases from $25 to $75.

The route taken by the Department to accomplish this increase and its effect on the small independent businessperson merit considerable review.

To best understand my strong reservations about this fee increase, I think understanding the chronology of events is crucial. Language was included in the House version of the Budget Reconciliation Act of 1981 that statutorily raised the cap on the filing fee from $10 to $25 for each application. But the language was amended in conference to make $25 a minimum fee.

The final act, as passed, also directed the Secretary of the Interior to conduct a study and report to Congress, within 1 year, on the feasibility and effect of raising the acreage rental fees.

This statutory increase in filing fees constituted a 250 percent increase over the $10 fee which had been in effect for some 20 or 30 years. It became effective October 1, 1981.

On October 29—less than 1 month after the beginning of the fiscal year and before the first $25 lottery filing—the Department published a proposed rule to raise the filing fee to $75. In other words, Interior proposed to raise the fee an additional 300 percent over the Budget Act minimum before it had any experience with the $25 fee.

In a relatively short 45-day public comment period, the Department received a record 1,700 comments on the filing fee increase—99 percent of these comments were opposed to a $75 fee.

The majority of these letters came from individuals and from small oil and gas exploration, development and investment firms. Only 21 of 1,700 comments were in support of the increase. Supporting comments came from Texaco, Conoco, and others.

Despite this overwhelming public opposition, the Department went forward with the final rulemaking—unchanged from the proposed rule.

I find it particularly irritating that the Department accompanied the final rule with remarks such as: "This rule will not have a significant economic effect on a substantial number of small entities" and that the Department "has received no compelling argument for not instituting the proposed increases."

This hasty action, I might add, was not accompanied by the mandated, related report to Congress, which, to my knowledge, has yet to be received by Congress. This only leads me to question the motives behind the decision to increase the filing fee some 750 percent in less than 6 months.

Contrary to Interior's "justifications" for the increase, a recent GAO report noted that casual speculators offer some benefit to this program. And they are not solely responsible for the awarded leases being traded.

GAO states: "After a lease is assigned or awarded directly to an oil company, the assignment process will still likely take place, with the initial lessee probably not being the one who actually drills."

It is also questionable whether Interior's estimates concerning the number of applications it would receive at the $75 figure are accurate.

In the two filings Interior conducted under the $25 fee, approximately half as many applications were received as were received when the fee was $10.

I submit that this may be attributed to the fraudulent practice of multiple filings. I believe the increase to $25 corrected the abuses in the program that so concerned Interior.

But, contrary to Interior's statements about the rule's effects on small business, it is the small independent who is least able to increase their budget to accommodate a cumulative 750 percent increase in one budget item in less than 6 months.

There is no alternative but to file on fewer parcels, thus decreasing their chances of acquiring Federal lands.

And I submit that we will see a further decrease in the number of applications in future filings.

The Congress is concerned about raising revenues. Some of the small independents, in their comments to Interior, suggested an increased Federal royalty which would yield billions of added revenues as an alternative to the $75 fee Secretary Watt estimates will generate an additional $90 million.

Increasing the royalty would satisfy the Administration's need for additional revenues and also would keep the filing fee—the front-end costs—at a level that allows small business to participate. To do otherwise is to make this a de facto competitive program, one in which only the major oil companies can afford to participate.

I might add that the Secretary seems intent on meeting these estimates by increasing the number of parcels offered in the lottery program by some 50 percent over what had been offered when the fee was $10.

I do not object to the goals of correcting abuses, improving exploration, or increasing revenues. I object to the effects of the Interior Department's solutions.

These small independent oil and gas businessmen have participated in the regulatory process. They have offered viable alternatives. And they have been ignored. These individuals have no other recourse but to call upon the Congress.

And it is my sincere hope that Congress will act in a responsive fashion and in a manner which serves all the interests and achieves the objectives that benefit all of the Nation.

Along with the statements I have just given, I am submitting today a chronology of the events and a data sheet on the lottery program which I have already made available to each of you.

I appreciate the time you have afforded me, and the consideration you will give to this matter.

[The Chronology of Events and Data Sheet Follow:]

CHRONOLOGY OF EVENTS

October 1, 1981

The filing fee for non-competitive federal lands lease applications, raised from $10 to $25 as a result of the Omnibus Budget Reconciliation Act of 1981, becomes effective. The Act provided Secretarial authority to further increase the filing fee. The Act also called for a one-year study of acreage rental fees.

October 29, 1981

Proposed rule to raise the filing fees to $75, as well as increase the acreage rental costs. Provided a 30 day public comment period.

NOTE: No filings at $25 have been conducted to this date.

November 1, 1981

First filing requiring $25 application fee.

November 30, 1981

Extension of public comment period to December 15.

December 15, 1981

Comment period closes. Comments submitted specifically addressing the impact the $75 fee would have on small businessmen. Those comments also showed, per government figures, an overall 51% decrease in application per parcel during the November filing (the first requiring the $25 fee). Alternatives offered to the proposed $75 "front-end" filing fee costs, i.e. increased acreage rental costs to encourage diligent exploration and development, and higher government royalty participation to increase revenues to the Federal government.

January 20, 1982

Final rulemaking published, effective February 19. No change from proposed rule. Interior received 1,710 comments on the filing fee, of which 1,669 (99%) opposed the increase. The Interior Department said this rule generated the largest number of public comments in their recent memory.

No report to Congress on the feasibility of raising acreage rental costs per the Budget Reconciliation mandate.

Furthermore, the final rule stated "no substantive views (were) presented" and (this rule) will not have a significant economic effect on a substantial number of small entities. . ."

DATA SHEET

	Number of Applications	Parcels Offered	Average Number of Applications Per Parcel
January, 1981 ($10 fee)	715,512	809	884
January, 1982 ($25 fee)	550,852	1,184	4[illegible]
March, 1982 ($75 fee)	227,779	1,186	192

NOTE: The number of parcels offered in March, 1982 (the first $75 fee drawing) increased by 50% from the number of parcels offered in the $10 drawings.

Mr. **Loeffler**. I thank the gentleman from Texas and as the gentleman knows, this gentleman has expressed the same concern that he has brought forth in this testimony.

The committee as well as myself will take a very close look at it and work with you.

I thank the gentleman from Texas.

Mr. **Frost**. Thank you.

[The statement of Mr. Frost follows:]

TESTIMONY OF CONGRESSMAN MARTIN FROST BEFORE THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE -- MAY 13, 1982

Mr Chairman, Members of this Subcommittee:

I am pleased to join my colleagues in today's review of some of the policies and practices of the Department of the Interior. I would like to focus on one that I feel is *particularly* important; that is the Department's final rulemaking of January 20, 1982 which raised the filing fee on non-competitive oil and gas leases from $25 to $75. The route taken by the Department to accomplish this increase and its effect on the small independent businessman merit *considerable* review.

To best understand my strong reservations about this fee increase, I think understanding the chronology of events is crucial. Language was included in the House version of the Budget Reconciliation Act of 1981 that statutorily raised the cap on the filing fee from $10 to $25 for each application. But the language was amended in Conference to make $25 a *minimum* fee. The final Act, as passed, also directed the Secretary of the Interior to conduct a study and report to Congress within one year on the feasibility and effect of raising the acreage rental fees. This statutory increase in filing fees constituted a 250% increase over the $10 fee which had been in effect for some 20 or 30 years. It became effective October 1, 1981. On October 29th -- less than *one* month after the beginning of the Fiscal Year and *BEFORE* the first $25 lottery filing -- the Department published a proposed rule to raise the filing fee to *$75.* In other words, Interior proposed to raise the fee an additional 300% over the Budget Act minimum *BEFORE* it had any experience with the $25 fee.

In a relatively short 45 day public comment period, the Department received a record 1,700 comments on the filing fee increase -- 99% of these comments were opposed to a $75 fee. The majority of these letters came from individuals and from small oil and gas exploration, development and investment firms, Only 21 of 1,700 comments were in support of the increase. Supporting comments came from Texaco, Conoco, and others.

Despite this overwhelming public opposition, the Department went forward with the final rulemaking -- unchanged from the proposed rule. I find it particularly irritating that the Department accompanied the final rule with remarks such as: "this rule will not have a significant economic effect on a substantial number of small entities" and that the Department "has received no compelling argument for not instituting the proposed increases." This hasty action, I might add, was NOT accompanied by the mandated, related report to Congress which, to my knowledge, has YET to be received by Congress. This only leads me to question the motives behind the decision to increase the filing fee some 750% in less than 6 months.

Contrary to Interior's "justifications" for the increase, a recent GAO report noted that casual speculators offer some benefit to this program. And they are not solely responsible for the awarded leases being traded. GAO states: "after a lease is assigned or awarded directly to an oil company, the assignment process will still likely take place, with the initial lessee probably not being the one who actually drills."

It is also questionable whether Interior's estimates concerning the number of applications it would receive at the $75 figure are accurate. In the two filings Interior conducted under the $25 fee, approximately half as many applications were received as were received when the fee was $10. I submit that this may be attributable to the fraudulent practice of multiple filings. I beleive the increase to $25 corrected the abuses in the program that so concerned Interior. But, contrary to Interior's statements about the rule's effects on small business, it is the small independent who is LEAST able to increase their budget to accommodate a cumulative 750% increase in one budget item in less than 6 months. There is no alternative but to file on fewer parcels, thus decreasing their chances of acquiring federal lands. And I submit that we will see a further decrease in the number of applications in future filings.

The Congress is concerned about raising revenues. Some of the small independents, in their comments to Interior, suggested an increased federal royalty which would yield BILLIONS of added revenues as an alternative to the $75 fee Secretary Watt estimates will generate an additional $90 million. Increasing the royalty would satisfy the Administration's need for additonal revenues and also would keep the filing fee -- the FRONT-END costs -- at a level that allows small business to participate. To do otherwise is to make this a de-facto competitive program, one in which only the major oil companies can afford to participate. I might add that the Secretary seems intent on meeting these estimates by increasing the number of parcels offered in the lottery program by some 50% over what had been offered when the fee was $10.

I do not object to the goals of correcting abuses, improving exploration, or increasing revenues. I object to the effects of the Interior Department's solutions. These small independent oil and gas businessmen have participated in the regulatory process. They have offered viable alternatives. And they have been ingnored. These individuals have no other recourse BUT to call upon the Congress. And it is my sincere hope that Congress will act in a responsive fashion and in a manner which serves ALL the interests and achieves the objectives that benefit ALL of the nation.

Along with the statements I have just given, I am submitting today a chronology of the events and a data sheet on the lottery program which I have already made available to each of you. I appreciate the time you have afforded me, and the consideration you will give to this matter.

THURSDAY, MAY 13, 1982.

NATIONAL ENDOWMENT FOR THE ARTS

WITNESS

HON. BOB SHAMANSKY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. **LOEFFLER**. Mr. Shamansky of Ohio.

Mr. **SHAMANSKY**. I appreciate the opportunity to be here.

I requested the opportunity to testify here today as a representative of the 12th Congressional District of Ohio, as a businessman, and as a former president and board member of the Columbus Association for the Performing Arts.

The bottom line is that cities that offer strong arts activities can better attract more businesses. Tourism, employment rates, business enterprises, the local credit base and the local government tax base are all affected by the arts.

Columbus was one of six participating cities in an economic impact study by the National Assembly of Community Arts Agencies. Ballet Metropolitan, the Columbus Museum of Art, the Columbus Symphony Orchestra, the Center of Science and Industry, the Players Theater of Columbus, and the Columbus Association for the Performing Arts, CAPA, were the participants, coordinated by Ric Wanetik and Tim Sublette on behalf of the Greater Columbus Arts Council.

The direct spending of these Columbus institutions, that is, goods and services, employee wages, audience spending, and the like, was over $6 million.

The secondary effects are also impressive. For example, the NACAA determined that the local governments of the six participating cities, as an aggregate, recouped 85 percent of their investments in the arts in the form of revenues generated directly by these institutions.

My membership on the Science and Technology Committee has strengthened and reaffirmed my conviction that the arts have an economic impact on the local level.

By far the greatest economic impact of the arts has become more apparent to me as I met with and talk to representatives of the growing high-technology community in central Ohio.

When a corporation decides where to place its headquarters, a division branch, or a new plant, one major consideration is that it be an area to which the company can attract competent employees, people qualified to find jobs in any city.

Corporate officers, such as Dr. Sherwood Fawcett at Battelle Memorial Institute and Roger Roth of Owens-Corning Research in Granville, Ohio, among others, have emphasized that the quality of life is clearly one of the strongest factors in attracting and maintaining high-technology scientists and engineers.

Quality of life includes a reasonable cost of living, good schools, and recreational and cultural activities. Surprisingly few entrepreneurs calculate area financial incentives into their business location formula.

An editorial from the St. Louis Post-Dispatch noted that "Art patrons from business, the professions and labor recognize that the cultural atmosphere of a community can be important as its climate. . . ."

The importance of the arts to my community is easily established. The importance of Federal funding of the arts, specifically the NEA, cannot be overemphasized.

Donald Lambro, writing on Government waste for United Feature Sydicate, states:

"The Business Committee for the Arts reports that businesses provide over $300 million per year to the arts. Additional support from philanthropists, private foundations and bequests add hundreds of millions of dollars more annually. All of this, when added to the Nation's individual patronage of the arts significantly dwarfs NEA's meager budget."

He is right. The NEA budget for 1981 was approximately 2.4 percent of 1 percent of the Federal budget. But it is not just the initial gift, but the NEA's ability to generate sizeable additional income that is significant, also.

To quote Budd Bishop, Director of the Columbus Museum of Art: "The major role of the NEA is as an imprimatur—it serves as a local drawing card for local funds. The NEA is trusted. It has a good reputation for effectiveness. An NEA grant is the stamp of approval."

Over a 5-year period ending last year, his museum received $219,060 from the NEA but generated $495,360 in matching funds. The money allowed the museum to add substantially to its collection, properly restore works in the collection and install a climate control system.

At the time of my election to the House of Representatives, I was, as I said, the President of the Columbus Association for the Performing Arts, more familiarly known as CAPA, an organization which owns and manages the Ohio Theater, which is on the National Register of Historic Landmarks.

One $350,000 NEA grant enabled CAPA to generate $1.05 million in additional income for a total of $1.4 million for the theater stage expansion.

An NEA grant of only $20,475 toward artists fees helped fund the Dance Touring Program at the theater, which brought such performing companies as Twyla Tharp, Alvin Ailey, and the Oakland Ballet.

A 50 percent cut in the NEA budget now could result in a $2.5 million overall loss of funds in Columbus arts in just one year, according to Ric Wanetik, former President of the Municipal Arts Federation.

Darrell Edwards, general manager of the Columbus Symphony, does not think that the private sector will be able to pick up the slack. He says:

"The arts are just now becoming more businesslike, and business is becoming more aware of supporting the arts. That bond will take longer to form if the NEA cuts now."

Thank you, gentlemen, for the opportunity of appearing before you.

Mr. **Loeffler**. Thank you, Mr. Shamansky.

Mr. **Shamansky**. Thank you.

[The statement of Mr. Shamansky follow:]

Statement

by

CONGRESSMAN BOB SHAMANSKY

Member, Executive Board

CONGRESSIONAL ARTS CAUCUS

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IMPORTANCE OF ARTS TO THE BUSINESS COMMUNITY

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NEA's IMPORTANCE TO LOCAL ARTS

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THURSDAY, MAY 13, 1982.

FOREST SERVICE AND FISH AND WILDLIFE SERVICE

WITNESS

HON. JAMES WEAVER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. LOEFFLER. Mr. Weaver?

Mr. WEAVER. Mr. Chairman, members of the committee: Thank you for this opportunity to testify.

A thorough review of the proposed Forest Service budget for fiscal year 1983 has convinced me that providing funding in this manner will result in seriously unbalanced resource management.

Funds for road construction and timber sales are being dramatically increased, while funds for other essential Forest Service programs, notably research, State and private forestry, and timber stand improvement are being dramatically reduced.

In addition, the wood residue utilization program, which links intensive timber management with improved utilization of wood wastes from our Nation's forests, would be funded at less than 10 percent of its current authorization.

The Agriculture Committee shares my view that these severe cutbacks could jeopardize the very existence of key Forest Service programs.

Therefore, the committee recently recommended to the Budget Committee that the Forest Service receive no more than the Administration's fiscal year 1983 budget request, but that some important funding shifts be made within its budget. Within that total, the committee recommended that the appropriated road construction budget be held to the fiscal year 1982 level, instead of receiving the 17 percent increase proposed by the Administration.

This action would free $38.7 million which would be used in the following manner: $12.2 million added to timber stand improvement. By the way, this creates jobs immediately because it sends loggers into the woods to thin out the woods and help the trees grow and get valuable wood fiber out of the forest.

$3.5 million added to wood residue utilization.

$12 million added to State and private forestry.

$11 million added to research.

I strongly endorse the Agriculture Committee recommendations.

The increased appropriated road construction funds are not necessary. With the current depression in the lumber and housing industries, the total volume of timber sold, but not harvested, stands at the record high level of 34 billion board feet.

Secretary Crowell has recently estimated that this backlog may reach 40 billion board feet.

Even if the housing market begins a recovery this year, there is more than enough timber under contract to supply it.

Holding the appropriated road budget at the fiscal year 1982 level will not jeopardize the hoped for recovery of the timber and housing industries.

One of the most glaring deficiencies in this budget is the irresponsible underfunding of timber stand improvement, TSI. Carrying out TSI work is essential if the often proclaimed promise of placing our Federal timber lands under genuine intensive management is ever to be realized.

The standard rhetorical commitment to this goal falls flat when the current budget request for TSI is examined.

According to Forest Service budget documents, there is a current backlog of TSI needs on our national forests of more than 1,700,000 acres.

The timber on these lands needs thinning, brush clearing, and other treatment in order to improve crop tree growth and quality.

The removal of defective trees, or trees and brush competing for limited nutrients, must be carried out when needed or the timber yield will be decreased.

The same documents indicate that 408,000 acres must be treated annually just to stay even with this backlog. Yet, the fiscal year 1983 budget request would fund only 302,000 acres—a 5 percent reduction from fiscal year 1982 and 25 percent below the break-even point.

This trend must be reversed, and I strongly urge this subcommittee to support this effort by increasing the amount budgeted for TSI in accordance with the Agriculture Committee's $12.2 million recommendation.

More funds could and should be devoted to this effort, but this amount represents a solid step in the right direction.

Timber stand improvement is a labor-intensive activity and a sound investment in future forest productivity.

Jobs and increased forest productivity are not the only benefits of timber stand improvement. It also increased the availability of wood residues for energy generation and other wood products.

One of the major constraints on the development of wood-fueled energy generation is the inability of entrepreneurs to secure guaranteed long-term supplies of wood wastes.

If properly planned for, TSI work, along with logging and mill residues, could provide a significant portion of our Nation's energy needs, up to 10 quads, or 12 percent of current U.S. consumption, on a sustainable basis.

Already, wood delivers more than twice the energy supplied by nuclear power, and it is a renewable, far more manageable resource.

State and private forestry has been reduced dramatically. It has been cut by 25 percent, down to $47.5 million, $16 million less than the 1982 level.

These funds are expenditures designed to increase forest productivity on lands under State or private ownerhip, which comprise 58 percent of the Nation's commercial timberland.

Consistent underfunding of this program reduces forest productivity. Reductions in this program also affect full utilization of wood for energy from these same ownerships. At least $12 million of this funding should be restored.

Research has taken a 17 percent cut of $12 million. This drastic reduction must be softened. Along with the many vital research projects curtailed or eliminated as a consequence of this cut, the forest resource inventory cycle is being delayed.

This is of special concern because it means that it will take more time to gather the necessary information to complete accurate land management plans, identify forest resources, and assess land capabilities. At least $11 million of this cut should be restored.

The areas I have outlined as needing funding are mutually reinforcing. Proper funding for them will provide jobs, better forest management, more complete utilization of renewable resources, and a greater degree of energy independence.

Reduction of these funds within the Administration's fiscal year 1983 Forest Service budget along these lines will result in far more balanced levels of resource management on our national forests.

Lastly, there is another matter that I urge this subcommittee to consider. Last year, along with Congressmen AuCoin and Wyden and Senators Hatfield and Packwood, I sponsored legislation which authorized the purchase of Bandon Marsh in Oregon, in my congessional district, for inclusion in the National Wildlife Refuge System. This bill is now law.

In order to buy the marsh and protect it from possible destruction, a $285,000 appropriation is needed in this year's budget.

Bandon Marsh is a 289-acre salt marsh estuary on the Coquille River in Southwestern Oregon.

I strongly urge you to include $285,000 for acquisition of Bandon Marsh in the fiscal year 1983 appropriation. For last year's authorization of Bandon Marsh acquisition to have any meaning, we must move ahead with the purchase.

So much of the cost of the marsh has already been funded, in effect, by an exchange of lands and the balance, $285,000, is needed to preserve this critical area and I urge the committee to do it.

I would like to present the committee with a letter regarding this proposal, as well as a letter signed by members of the Wood Energy Caucus supporting the elements of the Forest Service budget which I have proposed today.

Mr. **Loeffler**. Without objection, the letter which you have just presented the committee as well as your letter of May 3 to the Chairman may be made a part of the record.

Mr. **Weaver**. Thank you very much, Mr. Chairman.

[The letter dated May 3, 1982, the letter from the Wood Energy Caucus, and the statement of Mr. Weaver follows:]

TESTIMONY OF

THE HONORABLE JIM WEAVER

CHAIRMAN YATES AND MEMBERS OF THE SUBCOMMITTEE, THANK YOU FOR THIS OPPORTUNITY TO TESTIFY.

A THOROUGH REVIEW OF THE PROPOSED FOREST SERVICE BUDGET FOR FY' 83, HAS CONVINCED ME THAT PROVIDING FUNDING IN THIS MANNER WILL RESULT IN SERIOUSLY UNBALANCED RESOURCE MANAGEMENT. FUNDS FOR ROAD CONSTRUCTION AND TIMBER SALES ARE BEING DRAMATICALLY INCREASED, WHILE FUNDS FOR OTHER ESSENTIAL FOREST SERVICE PROGRAMS, NOTABLY RESEARCH, STATE AND PRIVATE FORESTRY, AND TIMBER STAND IMPROVEMENT ARE BEING DRAMATICALLY REDUCED. IN ADDITION, THE WOOD RESIDUE UTILIZATION PROGRAM, WHICH LINKS INTENSIVE TIMBER MANAGEMENT WITH IMPROVED UTILIZATION OF WOOD WASTES FROM OUR NATION'S FORESTS, WOULD BE FUNDED AT LESS THAN 10% OF ITS CURRENT AUTHORIZATION.

THE AGRICULTURE COMMITTEE SHARES MY VIEW THAT THESE SEVERE CUTBACKS COULD JEOPARDIZE THE VERY EXISTENCE OF KEY FOREST SERVICE PROGRAMS. THEREFORE, THE COMMITTEE RECENTLY RECOMMENDED TO THE BUDGET COMMITTEE THAT THE FOREST SERVICE RECEIVE NO MORE THAN THE

ADMINISTRATION'S FY' 83 BUDGET REQUEST, BUT THAT SOME IMPORTANT FUNDING SHIFTS BE MADE WITHIN ITS BUDGET. WITHIN THAT TOTAL, THE COMMITTEE RECOMMENDED THAT THE APPROPRIATED ROAD CONSTRUCTION BUDGET BE HELD TO THE FY' 82 LEVEL, INSTEAD OF RECEIVING THE 17% INCREASE PROPOSED BY THE ADMINISTRATION. THIS ACTION WOULD FREE $38.7 MILLION WHICH WOULD BE USED IN THE FOLLOWING MANNER:

1. $12.2 MILLION ADDED TO TIMBER STAND IMPROVEMENT (TSI).
2. $3.5 MILLION ADDED TO WOOD RESIDUE UTILIZATION.
3. $12 MILLION ADDED TO STATE AND PRIVATE FORESTRY.
4. $11 MILLION ADDED TO RESEARCH.

I STRONGLY ENDORSE THE AGRICULTURE COMMITTEE RECOMMENDATIONS.

THE INCREASED APPROPRIATED ROAD CONSTRUCTION FUNDS ARE NOT NECESSARY

WITH THE CURRENT DEPRESSION IN THE LUMBER AND HOUSING INDUSTRIES, THE TOTAL VOLUME OF TIMBER SOLD, BUT NOT HARVESTED, STANDS AT THE RECORD HIGH LEVEL OF 34 BILLION BOARD FEET. SECRETARY CROWELL HAS RECENTLY ESTIMATED THAT THIS BACKLOG MAY REACH 40 BBF. EVEN IF

THE HOUSING MARKET BEGINS A RECOVERY THIS YEAR, THERE IS MORE THAN ENOUGH TIMBER UNDER CONTRACT TO SUPPLY IT. HOLDING THE APPROPRIATED ROAD BUDGET AT THE FY' 82 LEVEL WILL NOT JEOPARDIZE THE HOPED-FOR RECOVERY OF THE TIMBER AND HOUSING INDUSTRIES.

TIMBER STAND IMPROVEMENT FUNDING MUST BE INCREASED

ONE OF THE MOST GLARING DEFICIENCIES IN THIS BUDGET IS THE IRRESPONSIBLE UNDERFUNDING OF TIMBER STAND IMPROVEMENT (TSI). CARRYING OUT TSI WORK IS ESSENTIAL IF THE OFTEN PROCLAIMED PROMISE OF PLACING OUR FEDERAL TIMBER LANDS UNDER GENUINE INTENSIVE MANAGEMENT IS EVER TO BE REALIZED. THE STANDARD RHETORICAL COMMITMENT TO THIS GOAL FALLS FLAT WHEN THE CURRENT BUDGET REQUEST FOR TSI IS EXAMINED.

ACCORDING TO FOREST SERVICE BUDGET DOCUMENTS, THERE IS A CURRENT BACKLOG OF TSI NEEDS ON OUR NATIONAL FORESTS OF MORE THAN 1,700,000 ACRES. THE TIMBER ON THESE LANDS NEEDS THINNING, BRUSH CLEARING, AND OTHER TREATMENT IN ORDER TO IMPROVE CROP TREE GROWTH AND QUALITY. THE REMOVAL OF DEFECTIVE TREES, OR TREES AND BRUSH COMPETING FOR LIMITED NUTRIENTS, MUST BE CARRIED OUT WHEN NEFDED OR THE TIMBER YIELD WILL BE DECREASED.

THE SAME DOCUMENTS INDICATE THAT 408,000 ACRES MUST BE TREATED ANNUALLY JUST TO STAY EVEN WITH THIS BACKLOG. YET THE FY '83 BUDGET REQUEST WOULD FUND ONLY 302,000 ACRES---A 5% REDUCTION FROM FY '82 AND 25% BELOW THE BREAK-EVEN POINT. THIS TREND MUST BE REVERSED, AND I STRONGLY URGE THIS SUBCOMMITTEE TO SUPPORT THIS EFFORT BY INCREASING THE AMOUNT BUDGETED FOR TSI IN ACCORDANCE WITH THE AGRICULTURE COMMITTEE'S $12.2 MILLION RECOMMENDATION. MORE FUNDS COULD AND SHOULD BE DEVOTED TO THIS EFFORT, BUT THIS AMOUNT REPRESENTS A SOLID STEP IN THE RIGHT DIRECTION.

TIMBER STAND IMPROVEMENT IS A LABOR-INTENSIVE ACTIVITY AND A SOUND INVESTMENT IN FUTURE FOREST PRODUCTIVITY. IT CAN PROVIDE SUBSTANTIAL FORESTRY-RELATED EMPLOYMENT BOTH NOW AND IN THE FUTURE. SUFFICIENT FUNDING TO ACCOMPLISH ANNUAL TSI NEEDS, AND TO BEGIN ELIMINATING THE BACKLOG, WILL PROVIDE THOUSANDS OF JOBS FOR WORKERS SUFFERING FROM ONE OF THE WORST TIMBER-INDUSTRY DEPRESSIONS IN DECADES.

WOOD RESIDUE FUNDING SHOULD BE INCREASED

JOBS AND INCREASED FOREST PRODUCTIVITY ARE NOT THE ONLY BENEFITS OF TIMBER STAND IMPROVEMENT. IT ALSO INCREASED THE AVAILABILITY OF WOOD RESIDUES FOR ENERGY GENERATION AND OTHER WOOD PRODUCTS.

ONE OF THE MAJOR CONSTRAINTS ON THE DEVELOPMENT OF WOOD-FUELED ENERGY GENERATION IS THE INABILITY OF ENTREPRENEURS TO SECURE GUARANTEED LONG-TERM SUPPLIES OF WOOD WASTES. IF PROPERLY PLANNED FOR, TSI WORK, ALONG WITH LOGGING AND MILL RESIDUES, COULD PROVIDE A SIGNIFICANT PORTION OF OUR NATION'S ENERGY NEEDS (UP TO 10 QUADS, OR 12% OF CURRENT U.S. CONSUMPTION) ON A SUSTAINABLE BASIS. ALREADY, WOOD DELIVERS MORE THAN TWICE THE ENERGY SUPPLIED BY NUCLEAR POWER, AND IT IS A RENEWABLE, FAR MORE MANAGEABLE RESOURCE.

GREATER FUNDING FOR THE FOREST SERVICE'S WOOD RESIDUE UTILIZATION PROGRAM COULD PROVIDE FOR PRACTICAL DEMONSTRATION OF THE MUTUALLY BENEFICIAL RELATIONSHIPS BETWEEN INTENSIVE FOREST MANAGEMENT, BETTER UTILIZATION OF FOREST RESOURCES, AND WOOD ENERGY GENERATION. ALTHOUGH THE WOOD RESIDUE UTILIZATION ACT AUTHORIZES AN EXPENDITURE OF $25 MILLION PER YEAR FOR THIS PROGRAM, THE FOREST SERVICE BUDGET WOULD PROVIDE ONLY $2 MILLION IN 1983.

I STRONGLY SUPPORT THE HOUSE AGRICULTURE COMMITTEE'S RECENT RECOMMENDATION THAT THE FOREST SERVICE APPROPRIATION FOR THIS PROGRAM BE SET AT $5.5 MILLION FOR FY '83. THE WOOD RESIDUE UTILIZATION PROGRAM HAS TREMENDOUS POTENTIAL FOR DEVELOPMENT AND APPLICATION IN THE PACIFIC NORTHWEST, AND SHOULD BE FUNDED FOR AT LEAST THIS AMOUNT.

FUNDING FOR STATE AND PRIVATE FORESTRY SHOULD BE RESTORED

STATE AND PRIVATE FORESTRY HAS BEEN REDUCED DRAMATICALLY. IT HAS BEEN CUT BY 25%, DOWN TO $47.5 MILLION, $16 MILLION LESS THAN THE '82 LEVEL. THESE FUNDS ARE EXPENDITURES DESIGNED TO INCREASE FOREST PRODUCTIVITY ON LANDS UNDER STATE OR PRIVATE OWNERSHIP, WHICH COMPRISE 58% OF THE NATION'S COMMERCIAL TIMBERLAND. CONSISTENT UNDERFUNDING OF THIS PROGRAM REDUCES FOREST PRODUCTIVITY. REDUCTIONS IN THIS PROGRAM ALSO AFFECT FULL UTILIZATION OF WOOD FOR ENERGY FROM THESE SAME OWNERSHIPS. AT LEAST $12 MILLION OF THIS FUNDING SHOULD BE RESTORED.

FORESTRY RESEARCH FUNDING SOULD BE RESTORED

RESEARCH HAS TAKEN A 17% CUT OF $12 MILLION. THIS DRASTIC REDUCTION MUST BE SOFTENED. ALONG WITH THE MANY VITAL RESEARCH PROJECTS CURTAILED OR ELIMINATED AS A CONSEQUENCE OF THIS CUT, THE FOREST RESOURCE INVENTORY CYCLE IS BEING DELAYED. THIS IS OF SPECIAL CONCERN BECAUSE IT MEANS THAT IT WILL TAKE MORE TIME TO GATHER the necessary information to complete accurate land management plans, identify forest resources, and assess land capabilities. At least $11 million of this cut should be restored.

The areas I have outlined as needing funding are mutually reinforcing. Proper funding for them will provide jobs, better forest management, more complete utilization of renewable resources, and a greater degree of energy independence. Redirection of these funds within the Administration's FY '83 Forest Service budget along these lines will result in far more balanced levels of resource management on our national forests.

There is another matter that I urge this subcommittee to consider. Last year along with Congressmen AuCoin and Wyden and Senators Hatfield and Packwood, I sponsored legislation which authorized the purchase of Bandon Marsh in Oregon, for inclusion in the National Wildlife Refuge System. In order to buy the marsh and protect it from possible destruction, a $285,000 appropriation is needed in this year's budget.

Bandon Marsh is a 289-acre salt marsh estuary on the Coquille River in Southwestern Oregon. It is one of the largest remaining salt marsh ecosystems on the Oregon Coast. It provides a crucial habitat for some 68 species of birds, 45 species of fish and for the peregrine falcon and bald eagle--both of which are endangered species.

The Reagan Administration has asked for only $1.6 million for land acquisition in the 1983 Fish and Wildlife budget. This represents a 90% reduction from the fiscal year 1982 appropriation. Even when the entire purchase cost of Bandon Marsh is added to the 1983 budget, this item still will be more than 88% lower than in 1982.

I urge you to include $285,000 for acquisition of Bandon Marsh in the Fiscal Year 1983 appropriation. For last year's authorization of Bandon Marsh acquisition to have any meaning, we must move ahead with the purchase.

Thank you for your consideration.

JIM WEAVER
4th District, Oregon

COMMITTEES:
AGRICULTURE
INTERIOR AND INSULAR AFFAIRS

JOE RUTLEDGE
Administrative Assistant

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May 3, 1982

The Honorable Sidney R. Yates
Chairman
Appropriations Subcommittee on Interior
B308 Cannon House Office Building
Washington, D.C.
INSIDE MAIL

Dear Chairman Yates:

Last year we supported legislation which authorized the purchase of Bandon Marsh in Oregon, for inclusion in the National Wildlife Refuge System. In order to buy the marsh and protect it from possible destruction, a $285,000 appropriation is needed in this year's budget.

Bandon Marsh is a 289-acre salt marsh estuary on the Coquille River in Southwestern Oregon. It is one of the largest remaining salt marsh ecosystems on the Oregon Coast. It provides a crucial habitat for some 68 species of birds, 45 species of fish and for the peregrine falcon and bald eagle--both of which are endangered species.

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We urge you to include $285,000 for acquisition of Bandon Marsh in the fiscal year 1983 appropriation. For last year's authorization of Bandon Marsh acquisition to have any meaning, we must move ahead with the purchase.

Thank you for your consideration of this matter.

Sincerely,

Jim Weaver

RON WYDEN
Member of Congress

JIM WEAVER
Member of Congress

Congress of the United States
House of Representatives
Washington, D.C. 20515

The Honorable Sidney Yates
Chairman
Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB
Washington, D.C.

Dear Mr. Chairman:

As Members of the Congressional Wood Energy Caucus and others interested in biomass programs, we are writing about this year's budget. The work of the House Agriculture Committee in redirecting U.S.D.A. Forest Service spending to better support Timber Stand Improvement, which can enhance both the forests and fuelwood supply, wood energy research and demonstration, and technical assistance is worthy of your serious consideration.

These changes can be made by redistributing a portion of the more than $181 million increase in the Forest Service budget the Administration has proposed for Fiscal Year 1983.

Wood now eclipses nuclear in delivered energy. A 1980 report by the Congressional Office of Technology Assessment concluded that wood fuel could contribute up to 10 quadrillion BTU's by the year 2000 without disrupting the flow of raw material to the wood products industry. This would equal 10 to 20 percent of the country's projected energy needs but it can be done only with the proper Federal involvement. This involvement is needed to improve management of forest lands, to inform industrial and residential energy consumers, and to resolve questions of environmental effects.

The House Agriculture Committee has voted in its recommendation to the Budget Committee to redirect some increased FY83 funds to the following programs: Timber Stand Improvement, State and Private Forestry, Wood Residue Utilization, and Forestry Research. This change would help replace the loss of jobs and production caused by the slump in the construction industry. By adding $12.2 million to the Timber Stand Improvement (TSI) Program, the Forest Service can improve the productivity of the forests and increase the harvest of fuel wood at the same time while also providing immediate employment for many skilled and semi-skilled workers.

The General Accounting Office report issued in 1981 entitled, The Nation's Unused Wood Offers Vast Potential Energy and Product Benefits, recommended a much higher priority for wood residue management. The Forest Service could devote $5.5 million to implement the Wood Residue Utilization Act if the Agriculture Committee's recommendation of an additional $3.5 million shift can be implemented. Removing and using logging residue will help meet energy, employment, and environmental needs.

The Administration has proposed a cut in Forest Research of $12 million. Lack of forest research restrains productivity to the point where many of our forest lands are producing only a fraction of their potential for energy, timber, and other products. At least $11 million should be restored for forest research.

The State and Private Forestry Program helps to underwrite technical assistance for resource planning and management for private and state forests where the greatest potential for improved productivity and wood industry expansion exists. By restoring $12 million of the $16 million slated to be cut by the Administration, farm wood lots and state forests and other non-federal lands will continue to benefit from this program.

These programs are keys to providing a wood supply for direct combustion and conversion to gas and liquid fuels as well as other wood products. The vast potential for wood energy can be realized at a faster pace, in a way that is sensitive to environmental concerns, and in a way that creates local jobs and local revenue only if the Federal Government plays an appropriate role. An appropriation that includes the levels outlined above would help make that role possible in the next fiscal year.

We appreciate your consideration.

Sincerely,

Jim Jeffords

Jim Weaver

Sam Gejdenson

Olympia Snowe

Claudine Schneider

Bill Wampler

George Brown

Don Albosta

Berkley Bedell

Barney Frank

Frank Horton

Dave Emery

Tom Harkin

Charlie Rose

THURSDAY, MAY 13, 1982.

NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES

WITNESS

HON. FREDERICK W. RICHMOND, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. **LOEFFLER**. Mr. Richmond.

Mr. **RICHMOND**. As you know, the Congressional Arts Caucus just started a little over a year ago, when it became apparent that this Administration wanted to cut the National Endowment for the Arts and the National Endowment for the Humanities by the draconian amount of 50 percent. As you recall, they wanted to cut out the Institute of Museum Services completely.

We then decided to do something about it. We started a small Arts Caucus, which began with 30 Members. We are now up to 162 Members representing 41 States, the District of Columbia, and all of the territories.

It is a totally bipartisan Caucus. It has become quite an active Caucus. We have become one of the largest Caucuses on the Hill and we have a very, very good staff that prepares materials on the arts for any Members that request it.

In other words, any time we get a speaking date in any Member's District, we turn it over to the Member. Any time any Member wants any background on the arts, we have a good staff that prepares it.

The Caucus is alive and well. We are matched by a Caucus in the Senate, chaired by Senators Metzenbaum and Pell. They call themselves the Concerned Senators for the Arts, and they have 31 Members—again, totally bipartisan—and our staff provides assistance to both Caucuses.

As you know, your committee was most gracious last year in finally voting a reasonable amount of money for the arts. Of course the arts did take a cut, just as so many programs did last year. There was even a mammoth cut on food stamps, so I fully understand why you would have to make a cut in the arts. But any further cuts in the arts, right now, would be totally counterproductive.

I think we have seen that corporations, in spite of what President Reagan says, are not fiscally capable of picking up the slack.

Frank Saunders, who is top Vice President of Phillip Morris, recently testified before the House Postsecondary Education Subcommittee on March 5 that corporate America is simply incapable of making up for the cuts in social services, education and culture.

A recent study by the Baltimore Sun indicates that most corporations in the Baltimore area have not actually tried to fill the gap. Contributions have remained steady or, in one case, decreased.

As you know, Mr. Chairman, I am a businessman also. The company of which I am a stockholder has been contributing large sums of money to the arts. The company has 26 factories in very small places throughout the country. In these local communities there are so many other deserving, worthwhile human services programs, that any company has to contribute to before it can even think of contributing to the arts.

I don't have to tell you that the volume is down substantially in businesses throughout the Nation. And I also don't have to tell you that corporate America is way down on earnings.

So, any remote chance of corporate America picking up this slack is just not there. They don't have the money. They do have other demanding social purposes, wherever they have factories. For example, they must contribute to the local United Way and the local Community Fund and all the others.

There is also the hospital fund, the local colleges. Those are musts in order just to keep your own community going. So I really don't look for much more money to come from corporations.

Now, on the other hand, we know how productive the grants from the National Endowments for the Arts and Humanities have been in urban areas.

The shining example in the United States is the situation in Charleston, South Carolina, where the National Endowment for the Arts gave Mayor Riley a grant of $50,000 to establish the Spoleto Festival.

Mayor Riley, as you know, is the Chairman of the Arts Subcommittee for the U.S. Conference of Mayors. He told me that that $50,000 generated for the City of Charleston $160 million in revenue. That is mind boggling.

The National Endowment for the Humanities, a couple of years ago, gave a grant of $400,000 for a group of archeologists and professionals to go over to Egypt to put together an exhibit on King Tut. This was just an idea that they thought would be good. I am sure you know the result: That exhibit turned out to be the most singularly rewarding exhibit financially that ever hit the United States.

That exhibit alone took many museums out of the red and put them into the black. It allowed the San Antonio Museum to air condition, and it generated hundreds of millions of dollars of revenue for museums and cities in the United States.

The Endowments are the seal of approval. Corporations don't give money to the Philadelphia Ballet or the Lansing Symphony Orchestra without checking with the National Endowments to see whether or not they are professionally capable.

So to cut any more money out of the Endowments, to reduce them as the official "seal of good housekeeping" for the United States, I think would be totally counterproductive.

Lastly, Mr. Chairman, I can tell you about my own city. We were all around when New York City was about to go bankrupt, and through the good judgment, good offices and legislative actions of this Congress we kept it from going bankrupt. But we never would have generated $5 billion in revenue if it weren't for the city's cultural activities. And if we hadn't picked up that $5 billion, we would be totally under water.

The arts have done enormous good in improving the quality of life for people, in employing people, particularly with the help of challenge grants. That is one of the greatest programs at the Endowment—the challenge grant program.

I was Chairman of the Board of Carnegie Hall for 18 years. We didn't do much about fund raising at all. We just limped along. The trustees provided a little money, and we also had some rental income. Carnegie Hall was sorely in need of renovation.

But, inflation went up, and our rental income went down. We got seriously into the red, and we applied for a challenge grant. They said: "Fine, raise $3 million, and we will give you one." We had no fund-raising apparatus at all, but once we heard we could get a million dollars, we set up a fund-raising activity. Within 8 months, we had raised the $3 million, so we had the whole $4 million we needed to so redo Carnegie Hall.

Now we have a Director of Development at Carnegie Hall and are continuing to operate very nicely on our own. But we are an old institution.

Where the Endowments are very important is to help new institutions to get going and operate properly, improve their professional quality, improve their fund raising quality.

So, Mr. Chairman, anything you can do to keep the National Endowment for the Arts at about the level we had last year—which is minimal compared to any other country in the world—will be so productive and beneficial to the artists themselves and to the quality of life in the United States.

Thank you.

Mr. LOEFFLER. Thank you, Mr. Richmond.

[The statement of Mr. Richmond follows:]

TESTIMONY OF
REP. FRED RICHMOND

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, I WOULD LIKE TO THANK YOU FOR THE OPPORTUNITY TO SPEAK TO YOU TODAY IN SUPPORT OF INCREASED FUNDING FOR OUR FEDERAL ARTS AGENCIES.

JUST A YEAR AGO, I SPOKE TO THIS SUBCOMMITTEE FOLLOWING THE ADMINISTRATION'S FIRST PROPOSAL TO DECREASE THE FEDERAL GOVERNMENT'S COMMITMENT TO THE ARTS IN AMERICA. AT THAT TIME, I URGED THE SUBCOMMITTEE TO OPPOSE THE ADMINISTRATION'S FISCAL YEAR 1982 BUDGET REQUEST FOR THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES AND THE INSTITUTE OF MUSEUM SERVICES ($88 MILLION FOR NEA, $85 MILLION FOR NEH, AND ZERO FOR IMS). I AM PLEASED THAT THE SUBCOMMITTEE, THE FULL COMMITTEE, AND THE ENTIRE HOUSE APPROVED BUDGETS FOR THESE THREE AGENCIES AT MUCH HIGHER LEVELS ($157.5 MILLION FOR NEA, $144.061 MILLION FOR NEH, AND $14.42 MILLION FOR IMS). THE SENATE, ALTHOUGH NOT QUITE AS GENEROUS AS THE HOUSE, ALSO APPROVED HIGHER FIGURES ($119.3 MILLION FOR NEA, $113.7 MILLION FOR NEH, AND $8.4 MILLION FOR IMS), AND WITH THE FINAL COMPROMISE BUDGETS ($143.04 MILLION FOR NEA, $130.56 MILLION FOR NEH, AND $11.52 MILLION FOR IMS), THESE AGENCIES HAVE BEEN ABLE TO SUSTAIN A LARGE PORTION OF THEIR VALUABLE PROGRAMS DURING FY '82.

CONGRESSIONAL SUPPORT FOR THE ARTS CONTINUES TO GROW

DURING THIS SAME YEAR, CONGRESSIONAL SUPPORT FOR AND INTEREST IN THE ARTS HAS GROWN TREMENDOUSLY. FROM AN INITIAL GROUP OF 30 REPRESENTATIVES, MEMBERSHIP IN THE CONGRESSIONAL ARTS CAUCUS HAS INCREASED TO OVER 160 -- MAKING THE ARTS CAUCUS ONE OF THE LARGEST IN CONGRESS. MEMBERS REPRESENT 41 STATES, THE DISTRICT OF COLUMBIA, AND THE TERRITORIES. THESE MEMBERS

BELIEVE IT IS IMPORTANT TO BE KEPT UP-TO-DATE ON THE STATUS OF FEDERAL ARTS LEGISLATION AND APPROPRIATIONS IN ORDER TO BETTER SERVE THE GROWING ARTS CONSTITUENCIES IN THEIR DISTRICTS.

RESPONSE TO THE FIRST NATIONAL HIGH SCHOOL ART COMPETITION, SPONSORED BY THE CAUCUS, HAS BEEN OVERWHELMING. LOCAL COMPETITIONS ARE BEING HELD IN NEARLY 200 CONGRESSIONAL DISTRICTS, REPRESENTING ALL 50 STATES. CONGRESS IS BECOMING INCREASINGLY AWARE OF THE VALUE OF THE ARTS TO THE AMERICAN PEOPLE.

AT A RECENT NATIONAL ARTS CONFERENCE, COSPONSORED BY THE ARTS CAUCUS, THE U.S. CONFERENCE OF MAYORS, AND THE HUMANITIES INSTITUTE OF BROOKLYN COLLEGE, CITY UNIVERSITY OF NEW YORK, FRANK HODSOLL, CHAIRMAN OF THE NATIONAL ENDOWMENT FOR THE ARTS STATED THAT "THE ARTS IN AMERICA ARE ALIVE AND WELL." MR. HODSOLL'S WORDS, COMING AT THE END OF AN ERA OF UNPRECEDENTED EXPANSION AND VITALITY IN THE ARTS, MAY BE TRUE AS WE ENTER THE 1980S, BUT WILL THE ARTS BE ABLE TO REMAIN 'ALIVE AND WELL' DURING THE COMING DECADE?

THE UNCERTAINTY OF THE 1980S

AS VITAL AS AMERICA'S ARTS HAVE BEEN, THEY CONTINUE TO SUFFER MORE FINANCIALLY THAN OTHER ASPECTS OF SOCIETY. THE ARTS, A LABOR-INTENSIVE INDUSTRY, CANNOT INCREASE PRODUCTION THROUGH TECHNOLOGICAL ADVANCEMENT. FOUR PLAYERS ARE STILL REQUIRED TO PLAY A STRING QUARTET IN THE SAME AMOUNT OF TIME IN 1982 AS WERE REQUIRED IN 1962 -- OR EVEN IN 1862. NO AMOUNT OF TECHNOLOGICAL SOPHISTICATION WILL REDUCE THEIR

NUMBER TO THREE OR ALLOW THEM TO PLAY MORE CONCERTS IN THE SAME PERIOD OF TIME.

ADDED TO THE HARDSHIPS CAUSED BY DIFFICULT ECONOMIC TIMES HAVE BEEN THE FIRST SERIES OF BUDGET CUTS TO IMPORTANT FEDERAL ARTS PROGRAMS. BUT CUTS IN OTHER AREAS HAVE HURT THE ARTS EVEN MORE. APPROPRIATIONS TO THE POSTAL SERVICE WERE DECREASED, AND NONPROFIT BULK MAILING RATES CLIMBED BY OVER 55 PERCENT. I HAVE RECEIVED NUMEROUS LETTERS FROM ARTS ORGANIZATIONS ACROSS THE COUNTRY DESCRIBING THE DEVASTATING EFFECT OF THE POSTAGE RATE INCREASE. MANY HAVE CUT THEIR MAILING BY AS MUCH AS ONE-HALF, RAISED TICKET PRICES, OR STARTED CHARGING ADMISSION FEES, WHERE FORMERLY NONE WERE CHARGED. THESE ORGANIZATIONS ARE BEING ASKED TO REACH OUT TO THE PRIVATE SECTOR FOR MORE SUPPORT AT A TIME WHEN THEY ARE LEAST ABLE TO DO SO.

A FINAL FACTOR ADDING TO THE UNCERTAINTY OF THE 1980S WAS THE PASSAGE OF THE ECONOMIC RECOVERY TAX ACT, WHICH ACCORDING TO A STUDY BY THE URBAN INSTITUTE, WILL CAUSE A LOSS OF OVER $18 BILLION IN CONTRIBUTIONS BETWEEN 1981 AND 1984 TO NONPROFIT ORGANIZATIONS. EDUCATIONAL AND CULTURAL INSTITUTIONS WOULD NOTICE THE GREATEST LOSS, BECAUSE THEY ARE GENERALLY SUPPORTED BY UPPER INCOME TAXPAYERS WHO WILL HAVE LESS INCENTIVE TO GIVE.

ALL THESE FACTORS COMBINE TO SET THE STAGE FOR A DIFFICULT PERIOD FOR ARTS INSTITUTIONS. AT THE SAME TIME, THE PLIGHT OF THE INDIVIDUAL ARTIST CONTINUES TO BE MUCH MORE DIFFICULT

THAN OTHER PROFESSIONAL AND TECHNICAL WORKERS. ACCORDING TO A 1982 NEA RESEARCH REPORT, ARTISTS COMPRISE MORE THAN ONE PERCENT OF TOTAL EMPLOYMENT, BUT UNEMPLOYMENT RATES ARE HIGHER AMONG ARTISTS THAN AMONG ALL PROFESSIONAL AND TECHNICAL WORKERS. IN 1980, ARTISTS' UNEMPLOYMENT AVERAGED 4.1 PERCENT COMPARED TO 2.5 PERECNT FOR ALL PROFESSIONAL AND TECHNICAL WORKERS, WHILE THE RATE FOR ONE SEGMENT OF THE ARTS WORKFORCE -- ACTORS -- RANGED BETWEEN 31 AND 48 PERCENT.

BUDGET PROPOSALS FOR 1983

BUDGET CUTS, TAX CHANGES, AND AN UNSTABLE ECONOMY AT THE BEGINNING TO THE DECADE OF THE 1980S HAVE BEGUN TO GREATLY AFFECT AMERICA'S NUMEROUS ARTS INSTITUTIONS AND ARTISTS, YET THE ADMINISTRATION HAS PROPOSED DEEPER CUTS. THE BUDGET OF THE NEA DECREASED FROM $159 MILLION IN 1981 TO $143 MILLION IN 1982 -- A TEN PERCENT CUT. IF THE ADMINISTRATION'S PROPOSAL TO PROVIDE ONLY $101 MILLION FOR NEA IN FISCAL YEAR 1983 IS APPROVED, THAT AGENCY'S BUDGET WOULD HAVE DECLINED BY 37 PERCENT IN JUST TWO YEARS. CONGRESS MUST NOT LET THIS HAPPEN.

THE PRIVATE SECTOR CANNOT FILL THE GAP CREATED BY MORE BUDGET CUTS. IN HIS TESTIMONY BEFORE THE HOUSE POSTSECONDARY EDUCATION SUBCOMMITTEE ON MARCH 5, FRANK SAUNDERS OF PHILIP MORRIS, A CORPORATION THAT CONTRIBUTES GEREROUSLY TO THE ARTS, STATED THAT CORPORATE AMERICA "IS SIMPLY INCAPABLE OF MAKING UP FOR THE CUTS IN SOCIAL SERVICES, EDUCATION, AND CULTURE." A RECENT STUDY BY THE BALTIMORE SUN INDICATES THAT MOST CORPORATIONS IN THE BALTIMORE AREA HAVE NOT TRIED TO FILL THE GAP LEFT BY

THE 1982 BUDGET CUTS. IN GENERAL, CONTRIBUTIONS HAVE REMAINED AT THE SAME LEVEL. ONE FIRM INDICATED THAT ITS CONTRIBUTIONS TO THE ARTS HAD DECREASED. A SPOKESMAN FOR THE NOXELL CORPORATION STATED: "WE'VE NOT MOVED TO INCREASE SUPPORT BECAUSE OF THE CUTBACKS. . . WE'RE NOT RESPONDING DIRECTLY TO THE REAGAN POLICY. WE HAVE A LIMITED AMOUNT TO GIVE OUT." A FAIRCHILD INDUSTRIES REPRESENTATIVE ADDED: "OUR SUPPORT HAS BEEN CONSISTENT; IT HAS NOTHING TO DO WITH PRESIDENT REAGAN."

ADDITIONAL REDUCTIONS IN FEDERAL SUPPORT FOR AMERICA'S CULTURAL PROGRAMS WILL MAKE LESS AND LESS ART AVAILABLE TO FEWER AND FEWER PEOPLE. ALREADY ARTISTIC SEASONS AND PERSONNEL ARE BEING CUT. EXAMPLES SPAN THE COUNTRY:

--BUFFALO PHILHARMONIC SEASON REDUCED FROM 48 TO 40 WEEKS

--PHILADELPHIA BALLET FURLOUGHED ALL DANCERS, MUSICIANS, ADMINISTRATIVE STAFF FOR 34 MONTHS

--NORTH CAROLINA SYMPHONY SEASON CUT FROM 40 TO 36 WEEKS, NUMBER OF PLAYERS REDUCED

--CENTRAL CITY OPERA, DENVER, CANCELLED ITS SEASON

--SEATTLE OPERA LAID OFF 13 EMPLOYEES, CUT TOURING

--BELLA LEWITZKY DANCE CO. IN LOS ANGELES REDUCED TOURING

EVEN THE SMITHSONIAN HAS BEGUN TO CUT BACK VALUABLE PROGRAMS. THIS SUMMER, ONLY THE AIR AND SPACE MUSEUM WILL REMAIN OPEN DURING EVENING HOURS. IN 1981 OVER 24 MILLION PEOPLE VISITED THE SMITHSONIAN MUSEUMS. OF THOSE 24 MILLION, NEARLY TWO MILLION ATTENDED DURING THE SUMMER. SUMMER VISITORS WILL NO LONGER BE ABLE TO SEE THE SMITHSONIAN'S GREAT ART DURING THE EVENING HOURS.

MR. CHAIRMAN, THESE DEVASTATING EFFECTS WILL CONTINUE AND GROW IF CONGRESS APPROVES THE DECREASES IN FEDERAL CULTURAL PROGRAMS PROPOSED BY THE ADMINISTRATION. THE ARTS CONTRIBUTE TOO MUCH TO AMERICAN SOCIETY FOR THE FEDERAL GOVERNMENT TO ABDICATE ITS RESPONSIBILITY.

OVER THE PAST DECADE HUNDREDS OF IMPACT STUDIES HAVE PROVEN THE VALUE OF THE ARTS TO LOCAL, STATE, AND REGIONAL ECONOMIES. A STUDY OF THE CULTURAL ORGANIZATIONS IN THE WASHINGTON AREA, RELEASED THIS PAST MARCH, SHOWED TOTAL SPENDING IN 1980 BY THE OVER 340 GROUPS WHICH RESPONDED TO THE SURVEY TO BE MORE THAN $82 MILLION. THE SMITHSONIAN ADDED ANOTHER $200 MILLION. THE ORGANIZATIONS PROVIDED OVER 12,000 FULL- AND PART-TIME JOBS AND OVER 9,700 VOLUNTEER POSITIONS. TOTAL SALARIES, WAGES, AND FEES EXCEEDED $14 MILLION A YEAR WITH AT LEAST $580,000 BEING CONTRIBUTED TO THE LOCAL TAX BASE.

OTHER ECONOMIC IMPACT SUTDIES FROM ACROSS THE COUNTRY HAVE PRODUCED SIMILAR RESULTS. THE ARTS ARE GOOD BUSINESS -- A FACT WE SPENT OVER A DECADE AND A HALF LEARNING. SINCE THE ESTABLISHMENT OF THE NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES IN 1965, AUDIENCES HAVE GROWN, THE NUMBER OF ARTS INSTITUTIONS HAS INCREASED RAPIDLY, AND AMERICAN SOCIETY'S INTEREST AND DEMAND FOR THE ARTS HAS RISEN SHARPLY. OUR FEDERAL GOVERNMENT WAS WELL AWARE OF THIS TREND AND RESPONDED ACCORDINGLY. BUT WE CONTINUED TO LAG BEHIND OTHER NATIONS IN FEDERAL PER CAPITA SPENDING FOR THE ARTS. WHEN THE BUDGET

OF THE NEA WAS AT ITS HIGHEST POINT, THAT AGENCY'S APPROPRIATIONS REPRESENTED A 70 CENTS PER CAPITA LEVEL OF SUPPORT. FOR FY '82 THE FIGURE HAS DROPPED CLOSER TO 60 CENTS PER CAPITA. THE FY '83 PROPOSAL WOULD LOWER THAT TO 43 CENTS. OUR NORTHERN NEIGHBOR, CANADA, SPENDS $31.96 PER CAPITA FOR CULTURAL PROGRAMS, AND RECENT STATISTICS FROM THE FRENCH EMBASSY INDICATE $18.63 PER CAPITA IN FY '82 BEING SPENT BY FRANCE FOR CULTURAL SUPPORT -- AN INCREASE OF 109 PERCENT! A 1981 STUDY BY THE COUNCIL FOR URBAN LIAISON FOR THE NEA STATES: "EVIDENCE SUPPORTS ONE GENERAL CONCLUSION: PUBLIC BODIES IN OTHER COUNTRIES SPEND VASTLY MORE IN SUPPORT OF THE ARTS, HOWEVER DEFINED, THAN THOSE IN THE UNITED STATES."

SPEAKING AT THE NATIONAL ARTS CONFERENCE AT BROOKLYN COLLEGE IN APRIL, NEA CHAIRMAN FRANK HODSOLL STATED: ". . . VITALITY OF THE ARTS IN AMERICA DEPENDS, AS IT ALWAYS HAS, ON AN EXTENSIVE COLLABORATION -- OF ARTISTS, OF ARTS MANAGERS, PRODUCERS AND PRESENTERS, OF CIVIC LEADERS, AND OF THE VARIOUS LEVELS OF GOVERNMENT (FEDERAL, STATE, AND LOCAL). WE NEED TO COMMUNICATE MORE WITH EACH OTHER IN ORDER TO MAKE THE WHOLE BETTER THAN THE SUM OF THE PARTS." FOR THE PAST SEVERAL DECADES THE WHOLE HAS BEEN BETTER THAN THE SUM OF ITS PARTS, BUT BY CONTINUED EROSION OF SUPPORT FROM ONE OF THE MOST IMPORTANT PARTNERS -- THE FEDERAL GOVERNMENT -- THE VITALITY OF THE ARTS IN AMERICA WILL BE THREATENED.

MR. CHAIRMAN, MEMBERS OF THE SUBCOMMITTEE, I URGE YOU TO REJECT ANY FURTHER CUTS IN CULTURAL SPENDING AND RECOMMEND INCREASED FUNDING FOR ALL OUR FEDERAL ARTS AGENCIES.

THANK YOU.

THURSDAY, MAY 3, 1982.

FOREST SERVICE AND NATIONAL PARK SERVICE

WITNESS

HON. JAMES L. OBERSTAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MINNESOTA

Mr. LOEFFLER. The gentleman from Minnesota, Mr. Oberstar.

Without objection, your prepared testimony will appear in the record at this point.

[The statement of Mr. Oberstar follows:]

HONORABLE JAMES L. OBERSTAR
OF MINNESOTA
MAY 13, 1982
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

Mr. Chairman, members of the Subcommittee, I am here today both to thank this Subcommittee for its past support of the commitments made by Congress in the enactment of the Boundary Waters Canoe Area Wilderness Act of 1978 and to ask this Subcommittee once again ensure that the federal government continues to keep those promises by adequately funding the BWCAW Act provisions.

My testimony today will concern primarily the need for an increase in the Administration's budget request for appropriations from the Land and Water Conservation Fund for the Boundary Waters Canoe Area Wilderness and the Voyageurs National Park.

The Boundary Waters Canoe Area Wilderness Act, P.L. 95-495, imposed restrictions on existing uses of the BWCA. In enacting those restrictions, Congress authorized programs to mitigate the impact of those restrictions on the people and the economy of northeastern Minnesota. Inclusion of these mitigating programs was essential to passage of the act. Relying upon the promises made in P.L. 95-495, Members of Congress approved the legislation.

In Fiscal Years 1980, 1981 and 1982, this Subcommittee approved additions to the Administration request, both under Presidents Carter and Reagan. The amount approved by this Subcommittee has been the amount ultimately approved by Congress and enacted into law. My constituents in this House have been well served by the attention of this Subcommittee to P.L. 95-495 appropriations. The Chairman of this Subcommittee has been extraordinary in his understanding of the issues and his commitment to honoring the commitments made at the time of the enactment of P.L. 95-495.

I understand the extremely rigid budget constraints facing this Subcommittee, and the entire Appropriations Committee. My intent today is not to ask for everything that I would like to see funded in fiscal year 1983. Rather, it is to present the Subcommittee with restrained, realistic and responsible requests for essential additions to the Administration request.

The major deficiency in that request is the failure to request funding from the Land and Water Conservation Fund for purchases under Section 5 of P.L. 95-495. Section 5 permits the owners of small resorts on lakes on the periphery of the BWCAW to require the Forest Service to purchase their businesses in the event that restrictions on motor use within the BWCAW prevented them from operating their resorts economically. Congress included Section 5 as a protection for the approximately 40 small recreational businesses most directly affected by the law's restriction. Section 5 purchases are not discretionary by the Forest Service. The section states very clearly:

"The owner of a resort and commercial operation during 1975, 1976 or 1977 and located on land riparian to any of the lakes listed below may require purchase of that resort, including land and buildings pertinent thereto, by written notice to the Secretary prior to September 30, 1985."

I wish that I did not have to ask the Subcommittee to fund these purchases. The owners, and the communities in which they are located, would prefer that these resorts remain in operation paying taxes to the local government. Such is not the case. Consequently, we in the Congress have the responsibility to insure that the Forest Service has the funds to fulfill its clear, legal obligation under Section 5. Congress has appropriated approximately $8 million over the past three fiscal years from the Land and Water Conservation Fund for land purchases under P.L. 95-495. In addition to purchasing resorts, the Forest Service has used these funds for purchases of private land actually within the wilderness.

At my request, the Superior National Forest prepared information showing the status of resort purchases, as well as estimate of the Forest Service requirements for fiscal year 1983. I request that that information be made part of the record of my testimony.

To date, 24 resorts have requested purchase under P.L. 95-495. The Forest Service estimates that there are 16 additional resorts which could qualify, and may issue a request prior to the September 30, 1985 deadline. Of the 24 resorts which have expressed interest to date:

- Four did not accept the offer and withdrew.

- One has sued for a higher amount.

- One did not qualify.

- Eight have been purchased.

- Two are under option.

- Four are considering offers made by the Forest Service.

- Four are currently being appraised for purchase in fiscal year 1983.

The Forest Service estimates that it will need $3.2 million in fiscal year 1983. If Congress does not appropriate funds for Section 5 purchases, the Forest Service will be unable to fulfill its legal obligations.

In the past two fiscal years, this Subcommittee has had to act to remedy a deficiency in Administration requests for Land and Water Conservation Fund purchases under Section 5. Those deficiencies have been bipartisan--in fiscal year 1981, it was the Carter request, in fiscal year 1982, it was the Reagan Administration request.

My request for additional funds for Section 5 purchases is the major addition to the budget. In addition, I would ask the Subcommittee to appropriate funds under Section 19 for technical and financial assistance to resorts and outfitters, and to local communities. The Administration budget contains no funds for Section 19 programs, which were funded at a level of $846,000 in fiscal year 1982. Section 19 programs include direct financial assistance to businesses most directly affected by the act, and a program of technical assistance to the businesses and community in the area adjacent to the Boundary Waters Canoe Area Wilderness. The purpose of this section is to provide the assistance necessary to assist businesses remain in operation, rather than exercise the buy-out provisions of Section 5. Section 19(b) appropriations have funded development of a program of technical assistance to businesses and communities by the Agricultural Extension Service of the University of Minnesota. In the next few months, the Forest Service will make a number of grants to local communities to implement the recommendations of that Agricultural Extension Service program.

Most of the work under Section 19 has been completed. Small businesses are taking advantage of the section to undertake innovative changes in their businesses to accommodate the changes in the use of the BWCAW resulting from the 1978 Act. In all likelihood, there will be no need for appropriations under Section 19 beyond fiscal year 1983. Furthermore, the amount required in 1983 will be substantially less than that appropriated in fiscal year 1982. In order to provide sufficient funds for the Forest Service and the Agricultural Extension Service to continue to provide assistance to local communities as they administer programs funded under Section 19, and to insure that businesses eligible for Section 19 assistance are able to receive those funds in fiscal year 1983, I am asking this Subcommittee to approve an appropriation of $200,000 under Section 19.

Finally, I would ask that this Subcommittee appropriate funds for a creative reuse of two of the resorts purchased under Section 5 of the 1978 Act. The Disabled Veterans Recreation, Inc., a nonprofit corporation, has developed a proposal to use two resorts as a year-around facility to provide recreational facilities for disabled veterans. The appropriation of funds for this purpose is authorized by Section 18(d) of P.L. 95-495:

"The Secretary in cooperation with the State of Minnesota and other appropriate groups, consistent with the purposes of this Act, is authorized and directed to develop a program providing opportunities for a wide range of outdoor experiences for disabled persons."

The Disabled Veterans Recreation, Inc. is a community-based group in Ely, Minnesota. It has held extensive discussions with the Forest Service regarding the use of two resorts. Such use would require special use permits from the Forest Service. The Forest Service has indicated its willingness to grant such a permit.

The Iron Range Resources Rehabilitation Board, an agency of the State of Minnesota, has already provided the organization with a $25,000 grant for initial planning expenses for the project. State Senator Doug Johnson, Chairman of the IRRRB, is committed to providing additional funds at a level of between $100,000 and $200,000, if funds are provided by the federal government. The project has received extensive support from the Minnesota American Legion, the Minnesota Veterans of Foreign Wars, the Sierra Club, the Friends of the Boundary Waters, the St. Louis County Board of Commissioners and other governmental groups.

In a very short time, the group has made extensive progress in developing a proposal to establish the year-around facility to provide disabled veterans with the opportunity to enjoy the wilderness experience of specific recreational activities tailored to their needs.

The project is divided into three phases. Phase 1, the pilot project, would utilize one resort, the Sunny Dene Resort. Phase 1 costs are estimated as follows:

	Phase I
Staff Costs	175,000
Expenses	225,000
Construction	125,000
Contingency	25,000
Totals	550,000
Income	375,000
Difference	175,000

I believe that it would be justified for the Congress to fund the pilot project. If the Subcommittee does not believe that it can recommend funding of the entire phase 1 costs, I would ask the Subcommittee to fund 1/2 the cost of the project, approximately $275,000 in fiscal year 1983. In the coming weeks, I intend to provide the Subcommittee with progress reports on the efforts of the Disabled Veterans Recreation, Inc. to develop a recreational facility for disabled veterans.

The budget request includes $3 million for the State of Minnesota's intensified forest management program. The State of Minnesota, in supporting termination of timber harvesting in the Boundary Waters Canoe Area, made a commitment to increase the yield of its forest lands. Section 6 of the Act authorized the annual grant of $3 million to the State to be made on an 80/20 matching basis. The State program is extremely important to the future of Minnesota's forest products industry. It is supported by industry, labor, and the environmental community.

The budget also includes substantial requests for intensified management of federal forest lands in northern Minnesota. While the amount requested under P.L. 95-495 is essentially the same as that appropriated in the current fiscal year, the request for regular reforestation activities in the Chippewa and Superior National Forests is substantially lower than FY 1982. At this point, I wish to express my concern about this reduction. I intend to consult with the USFS and the forest products industry in Minnesota to evaluate the impact of this reduction to determine if additional funding will be necessary.

Voyageurs National Park

The budget requests $3.8 million from the Land and Water Conservation Fund for land acquisition in Voyageurs National Park. The appropriation of this amount will require an increase in the authorization level. I am very pleased that the House Interior Committee yesterday voted to approve legislation which would increase the acquisition ceiling by $12.3 million. I introduced H.R. 846, which would authorize such an increase. That legislation has bipartisan support in the Minnesota delegation. Senators Durenberger and Boschwitz have introduced it in the Senate. Both the Carter and Reagan Administrations supported it.

The Administration request will cover only court awards and deficiencies. It is not adequate. In the past two fiscal years the following amounts have been appropriated for Voyageurs National Park land acquisition:

FY 1981---2.0 FY 1982---0

The Park Service estimates that it will need $12.3 million to complete acquisition. This estimate is a conservative one.

Voyageurs National Park needs an appropriation above the Administration request of $3.8 million. The Park Service has received inquiries from willing sellers of property estimated at approximately $2 million. The Administration request would not allow purchase of any of this land. It is, therefore, essential that Congress appropriate funds in addition to the Administration request. I would ask the committee to appropriate (over)

Inadequate funding has prevented Voyageurs National Park from realizing its full potential as a unit of the National Park system. Funding of development has been almost nonexistent.

The people in the area of Voyageurs National Park are at an end of their patience with the years of ignoring the needs of Voyageurs National Park. At the time the legislation was considered in Congress and later when it became law, the National Park Service and other advocates of the Park proclaimed repeatedly that the Park would be a boon to the borderland area creating hundreds of jobs and providing additional millions in new revenue to the counties and communities in exchange for the lost use of the Park area by local residents, lost timber availability and the tax revenue lost to the counties through the acquisition of private property. The predictions and promises have proven empty as land acquisition has proceeded slowly and development not at all.

Failure to proceed with land acquisition is a disservice to the remaining landowners whose property values are questionable and whose future is uncertain because they do not know whether or when the federal government will buy their property.

Failure to proceed with the development plans is also a disservice and unconscionable because lack of development means that a local economy already in depression will continue to suffer economic decline without relief promised by the federal government. Congre under these circumstances, has not only a legal obligation, has a moral commitment to keep as well--to keep faith with the people who are beginning to lose trust in their government.

I have been before this Subcommittee now four times. I have come to appreciate the diligence and dedication of the Subcommittee, particularly Chairman Yates, in its consideration of the issues involved in the requests which I have made. In the first two years of the Boundary Waters appropriation, the people of Minnesota who cared about these appropriations were alarmed at the failure of the Administration to include adequate funding for P.L. 95-495 program in the budget. Each year, the sense of alarm and concern for the appropriations has diminished, not because of a lessening interest in the programs, but because of a reliance and a faith in the integrity and the record of this Subcommittee. I share the faith of my constituents, and my appreciation for your efforts.

Thank you.

AGRICULTURAL EXTENSION SERVICE

UNIVERSITY OF MINNESOTA

Area Extension Office
2305 East Fifth Street, Room 208
Duluth, Minnesota 55812

(218) 726-8126

DATE: 5-12 AIDE PF

FILING CATEGORIES:

PARA. NAMES:

DOC. NO.:

REC. NO:

COMMENTS

May 6, 1982

The Honorable James Oberstar
2351 Rayburn House Office Building
Washington, DC 20515

Dear Jim:

As I am sure you are aware, Gary Cerkvenik and I have had numerous discussions about the future of the BWCAW project which the University of Minnesota Agricultural Extension Service (AES) is implementing. During our most recent conversation, it was suggested that I provide a summary of the current status of our efforts to obtain funding which could extend our project beyond the original September 30, 1982 deadline. What follows is an overview of the circumstances that are related to this situation.

A description of the various programs that we have planned, developed, and initiated pursuant to PL 95-495 is enclosed. In addition to these activities and programs, our team has devoted considerable time and effort to assisting the USDA Forest Service in administering a series of community and regional grant programs. These six grants, totaling more than $225,000 were made available under Section 19 of PL 95-495 and provided technical and educational assistance to the communities in the areas of marketing, developing promotional/informational materials, and strengthening local organizations.

Our involvement with these grants included:

1. identification of community needs
2. consensus building among groups receiving grants
3. estimation of resources and time needed to accomplish the program
4. preparation of grant proposals
5. working closely with grant recipients and the USDA Forest Service to insure that the proposals were implemented as they were intended
6. evaluating the outcomes of the various programs

Recently, another series of grant proposals has been prepared for each of the BWCAW region communities. These will be funded in the near future and, once again, the AES Team (Gary Gallman, Dick Korte, Jim Burke) is expected to play a major role in helping the communities to plan, to coordinate, and to execute, their funded programs. All of these programs are anticipated to continue well into FY 83 before they are completed.

Without exception, the programs that were funded by the grant monies have been enthusiastically received by the BWCAW region communities and have generally improved their economic condition. Our AES Team is pleased that we have been able to develop in these communities the rapport, trust, and credibility that is essential for the successful, cooperative development and implementation of these worthwhile programs.

It is important to note, however, that our participation in the administration of the community grant programs was based on the assumption that we would be able to continue our economic development efforts beyond the original deadline imposed by PL 95-495. Accordingly, we delayed the completion of many portions of the project that were part of the original intent of Section 19b, including:

--program evaluations
--management manuals
--educational seminars
--consultations with individual businesses

Recently, despite a massive show of support for our efforts by the BWCAW communities, local government agencies, individual businesses, and elected representatives (including you), we were informed by our Director that the faculty positions that our team (Gary Ballman, Dick Korte, Jim Burke) could have filled (and continued our efforts beyond September 30, 1982) have been eliminated. Economic development in the tourism industry, it seems, is a low priority for the University of Minnesota Agricultural Extension Service.

Thus, we are faced with a difficult dilemma. The remaining time barely allows us to do justice to either the community projects or the remaining responsibilities that we temporarily "put on hold". To do both is physically impossible; yet, both aspects of the project will make important contributions to the economic well-being of the BWCAW region communities.

We have sought a solution to this dilemma by proposing (copy enclosed) that the USDA Forest Service and the University of Minnesota AES jointly fund a six-month extension of the BWCAW project, thereby allowing us to continue to assist the communities and individual businesses. Since everyone (including the USDA Forest Service and the Extension Service) has indicated that our project has been effective, beneficial, and successful; it would seem that such a proposal could very simply solve our dilemma.

Unfortunately, things are currently stalemated because:

--the University has limited resources and will contribute to the proposed program extension only if the USDA Forest Service makes a major contribution

--the USDA Forest Service has the financial resources to make a major contribution, but is concerned with the legality of continuing the funding of the project beyond September 30, 1982

Our rationale for asking for an extension of the project is based on a desire to "solve" our dilemma in a manner that allows us to continue to assist the communities with their efforts to overcome the negative impacts of PL 95-495 and on the following reasons:

1. considerable momentum and improved local capabilities are finally developing in the BWCAW communities and an abrupt termination might signal the end of the tremendous progress that has been made
2. the communities will certainly need to rely heavily on our assistance for their FY 82 programs (the grants were prepared with the assumption that we would be available to assist)
3. development of tourism/recreation resources may be the key to economic stability for the region as it awaits the recovery of the timber and mining industries

We feel that it is important that the BWCAW project continue, and are seeking assistance from a number of sources. However, it appears that our best chance for a continuation of this valuable program is through Forest Service funding. Therefore, any assistance that you could offer in this matter would be greatly appreciated--by the BWCAW region businesses and communities and, of course, by Gary Ballman, Dick Korte, and me.

If you need additional information, feel free to contact any of us. I look forward to hearing from you in the near future.

Cordially yours,

Jim Burke

James F. Burke
Area Extension Agent
Tourism Industry Development

JFB:cyt

Enclosures

cc: BWCAW Team
Wayne Nicolls, U.S. Forest Service
Gordon Rose, Assistant Director, CRD
Charles Williams, District Program Leader, CRD
Gary Cerkvenik

TO: Mr. Wayne Nicolls, Financial Liaison Officer
U.S.F.S. Technical Assistance Program

FROM: Agricultural Extension Service, University of Minnesota

RE: Application for supplemental funds to complete portions of educational and technical assistance program to firms and communities in the Boundary Waters Canoe Area vicinity

Background

Funds made available to the University of Minnesota Agricultural Extension Service (AES) under Section 19 of PL95-495 have resulted in an educational and technical assistance program for communities and tourism firms in the Boundary Waters Canoe Area vicinity. Much progress has been made in assisting clients to adjust to Wilderness management strategies and to stimulate the northeastern Minnesota tourism industry since these funds became available to AES in Feburary, 1980. Three AES staff members have devoted full-time to the project and four others have made substantial time commitments. Among the planned activities undertaken as a part of the AES program have been:

--- A multiphased applied market research study of current area tourists and potential tourists in major midwestern cities. Substantial interaction/communication effort has been devoted to feeding results back to tourism firms and associations to put research results to use in formulating marketing strategies and facility development directions.

--- Stimulate communication flow and positive action. Communications and working relationships have been established with actors having a wide spectrum of interests in the BWCA to encourage them to communicate wtih each other, to recognize their roles in solutions, and to work together for creative, positive solutions to area's problems. These ongoing relationships include:

* local citizens and community leadesr and organizations
* hospitality and other retail firms
* chambers of commerce and industry associations
* governmental agencies and task forces
* user and special interest groups
* general media

--- Assistance in developing marketing efforts at firm, community and regional levels. Among primary efforts are:

* Marketing and brochure development workshops.
* Coordinating/facilitating regional and area advertising and promotional campaigns.
* Package tour demonstration.
* Assistance in developing information stations.
* Computer application to marketing.
* Individual firm consultations.

--- Assistance in developing new things for tourists to see and do.

- "Recreational concepts for Northeastern Minnesota" - a project to help crystalize ideas and motivate action on providing additional tourism and recreational opportunities in the area outside but in the vicinity of the BWCA.

- Community theme development workshops - an effort to assist community leaders to take positive action in strengthening the destination image and tourism offering of their own communities.

- Special events assistance - particularly critical as a means of increasing off-peak season tourism.

--- Other management and technical assistance to individual firms and community groups.

- Tip of the Arrow organizational and marketing orientation evaluation
- Food service management
- Sewage treatment
- Energy conservation
- Physical plant improvements
- Financial management
- Application of computers to small business

In addition to these activities planned and initiated as part of the AES program, substantial time and effort during the last year has been devoted to assisting the Forest Service administer a series of community and regional grants. These six grants totaling $ have been made under section 19 of PL95-495 for projects primarily related to area marketing and strengthening local organizations. AES's involvement has included consensus building among groups receiving grants, preparation of proposals, and working closely with grantees and the Forest Service to insure execution of proposals as intended. Another series of similar grants is now being prepared for FY 82. These projects are anticipated to run into FY 83 before completion.

Proposal

It is requested that technical assistance funds from Section 19 of PL95-495 be granted to the Agricultural Extension Service to ensure that projects for which community grants made by the U.S. Forest Service in FY 81 and 82 can be properly implemented and carried through to completion and to assist in preparation of educational materials which can be produced as a result of activities undertaken through these grants. Many materials which could be of lasting benefit to the communities, the tourism industry and individual firms in northeastern Minnesota cannot be produced without this assistance.

Expected Results

Continued effective implementation and follow-up by AES on existing and anticipated community grants is expected to result from this request. Specific educational materials expected are:

--- An advertising/promotion evaluation report detailing what was done and what was learned from the various advertising campaigns financed by community grants. The intent would be to transfer this valuable experience to the northeastern Minnesota communities, tourism industry and firms to help them continue to reap benefits when projects are terminated.

--- A comprehensive report on the entire AES BWCA technical and educational assistance project. Each of the several dozen specific project components would be reported on and evaluated. In addition to providing a summary/overview, this document would be useful as a guide in similar situations.

Budget

It is expected that 6 months will be required to complete all details of AES involvement with existing and anticipated community grants and to produce the educational materials indicated above.

	Requested from PL95-495 Funds	Univ. of MN Contribution	Total
Community Grants Implementation and Followup	$31,800	$5,000	$36,800
Overall Advertising Campaign Evaluation - Educational Report	21,800	5,000	26,800
Overall Project Report	21,800	5,000	26,800
	$75,400	$15,000	$90,400

LD- 52942
R - 12911

UNITED STATES DEPARTMENT OF AGRICULTURE
FOREST SERVICE
SUPERIOR NATIONAL FOREST
BOX 338, DULUTH, MN 55801

6520

February 19, 1981

Honorable James L. Oberstar
House of Representatives
Washington, D.C. 20515

Dear Congressman Oberstar:

John O'Connor called me the other day and asked for a status report on resort purchases. Enclosed please find the information requested.

We have received 24 requests to date. We believe there are 16 resorts remaining that qualify, but do not know which, if any, may initiate a request. The status of the 24 is as follows:

4 - did not accept the offer and withdrew.
1 - is in court
1 - did not qualify
8 - have been purchased (FY 80-81)
2 - new options (FY 82)
4 - outstanding offers under consideration (FY 82)
4 - being appraised (FY 83)

These are listed on sheet (1). Sheet (2) is a listing of the 16 resorts that we believe may qualify for purchase. We only determine qualification for purchase after the resort owner makes a request for purchase to the Forest Service.

In FY 83, we estimate eight cases for about 3.2 million dollars. Funding requirements are shown on sheet (3). You will note we show five "requests on hand" on sheet (3). The fifth is not listed on sheet (1) because we are not sure at this time if it qualifies and are awaiting an interpretation from our General Counsel.

Sincerely,

ROBERT O. REHFELD
Forest Supervisor

Enclosures

RESORTS REQUESTING PURCHASE BY GOVERNMENT
PROVIDED IN P.L. 95-495

RESORT	OWNER	DATE REQUESTED	DATE PURCHASED	$
Snowbank Lodge	M. Breaker	10/27/78	in court	536,550
Portage Outfitters	E. Darst	10/27/78	did not qualify	
End of Trail	N. Helms	11/17/78	09/03/80	370,000
Camp Gunflint	J. Bredemus	11/16/78	withdrew	not public info.
Tanglewood	T. Cleys	11/27/78	withdrew	not public info.
Canadian Waters	J. Waters	02/05/79	06/05/80	238,000
Kirk's Landing	A. Kirk	02/24/79	06/15/81	131,700
North Country	D. Beland	03/27/79	withdrew	not public info.
Moose Lake	D. Beland	03/27/79	01/27/81	512,400
Chik-Wauk	R. Griffis	04/30/79	07/30/80	525,200
North Point	F. Zopff	06/11/79	02/26/81	325,200
Canadian Border Outfitters	T. Harisstall	11/07/79	withdrew	not public info.
Wilderness Retreat	F. Pike	01/31/80	09/23/81	108,800
Sunny Dene	E. Wavrin	03/05/80	09/22/81	495,000
Kirks Lodge	W. Burley	07/07/80	option signed	322,500
Deer Trail	L. Larsen	10/22/80	offer made	not public info.
Squaw Bay	J. Skala	12/22/80	offer made	not public info.
Snowbank Beach	B. Ellis	01/12/81	option signed	476,000
Quetico-Superior	B. Carlson	01/27/81	offer made	not public info.
Canadian Border Lodge	R. Stockdill	02/09/81	offer made	not public info.
Johnson's Fall	A. Johnson	07/01/81	no offer yet	
Sawbill	A. Senty	11/04/81	no offer yet	
Seagull Resort	D. Canfield	10/12/81	no offer yet	
Seagull Outfitters	D. Canfield	10/12/81	no offer yet	

OTHER RESORTS WHICH MAY BE ELIGIBLE FOR PURCHASE BY GOVERNMENT BUT HAVE NOT MADE A REQUEST

RESORT	OWNER
Sky Blue Waters	M. Janssen
Bearskin Lodge	D. Tuttle
Saganaga Outfitters	D. Germain
Wilderness Canoe Base	J. Cherry
Jocko's	just changed ownership (unknown)
Fowl Lake Lodge	E. Nelms
Jackpine Lodge	D. Stocks
Jasper Lake Resort	J. Baltich
Kawishiwi Lodge	F. Udovich
Wilderness Bay	L. Hotaling
Pipestone Log Cabins	J. Dulinsky
Border Lakes Outfitter	J. Niemi
Tom & Woods Outfitters	T. Ware
Wild Places	T. Dayton
Thunderbird Lodge	L. Hotaling
Voyageurs Outfitters	D. Enzenauer

Superior N.F.

February 10, 1982

SECTION 5 - P.L. 95-495 (FY 1983)

1 - Resort Requests on hand	- (5)	Estimated cost -	$1,275,000
2 - Resorts we believe will come in	- (4)	Estimated cost -	1,450,000
TOTAL	9		$2,725,000
3 - Relocation Costs (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970)		-	159,000
4 - Administrative Costs		-	100,000
			$2,984,000

- -

PRIVATE LANDS INSIDE BWCA

3 owners have asked to have their land purchased	Estimated cost -	$ 180,000

TOTAL ESTIMATED COST.........$3,164,000

Mr. **Oberstar**. I will summarize. I come to this subcommittee to obtain justice for the people of Minnesota, those who live adjacent to the Boundary Waters Canoe Area and the Voyageurs National Park.

The provisions of the Boundary Waters Canoe Area Wilderness Act authorizing financial assistance to the people and communities disadvantaged by that legislation were essential to its passage.

They are now essential to keeping faith with the people of Minnesota; essential to sustaining the economy of an area which suffered a severe downturn before the recession hit the rest of the country and considerably more so because of the wilderness restrictions.

There are a number of provisions that require funding under the 1978 legislation.

I want to say that this committee has kept faith with the people of northeastern Minnesota, much more than two Administrations in their inadequate budget requests for both Voyageurs and particularly for the Boundary Waters Canoe Area.

The committee has been very sensitive to the commitments made by Congress in passing that legislation. In successive years, it has increased the budget requests by the Carter and Reagan Administrations.

Once again, funding of the resort buy-out provisions is an issue before this committee. This is not a matter of choice. The people in the area didn't want to have their means of making a living reduced or eliminated.

The 1978 Act recognized that the restrictions on use of the BWCAW would make it impossible for some resorts to continue to operate; it allows resort owners to sell their resorts to the Federal Government.

The committee has each year provided funding for these purchases.

Additional money is required in fiscal year 1983. Some $8 million has already been appropriated. Twenty-four resorts have requested buy-out. Sixteen more would qualify under the provisions of the law. Of the 24, eight have been purchased, and the others are in various stages of having their proposals negotiated, litigated, or considered or appraised by the Federal Government.

Under section 19, which is a very important provision of the law, this committee last year provided $846,000 for assistance to businesses, resorts and communities in the area of the Boundary Waters Canoe Area to help them adjust to the act and new business activities.

Plans have been developed by the Agriculture Extension Service of the University of Minnesota. Some very far-reaching and sound plans, advertising programs reaching out into an area within 500 miles of the BWCAW.

Much of that planning will go into effect and bear fruit this year.

An additional $200,000 is needed in fiscal 1983 for section 19. My request represents a very considerable reduction of funding from the fiscal year 1982 appropriation of $846,000.

The Administration budget contains a request for $3 million to help the State of Minnesota in its timber management program.

The program has been very successful. The State of Minnesota has provided the required matching funds under the law.

Just 2 weeks ago I visited the Forest Service tree nursery in northeastern Minnesota at Eveleth which this committee helped keep in operation. The nursery employees were digging some six million seedlings, all of which are to be planted in areas that will benefit from the forestry improvement funds provided under the 1978 Act.

I would also like to ask the committee to help fund a new program for disabled veterans. Section 18 of the Boundary Waters Wilderness Act authorizes programs to help disabled people enjoy the wilderness.

Two resorts that have been purchased by the Forest Service would be used for this purpose. The resorts are not located within the wilderness, but within the Superior National Forest.

The resorts would be turned over by the Forest Service to a nonprofit organization which would use the resorts to provide recreational activities for veterans.

Disabled veterans organizations support the program. An agency of the State of Minnesota, the Iron Range Resources Rehabilitation Board, has provided planning funds.

We would ask for $275,000 in Federal funds for fiscal 1983 to launch this project. Providing recreational opportunities for disabled persons was a key provision in the act. When it passed Congress the authors of the legislation felt they should respond to a need for recreational activity for the disabled.

The proposal is sensible.

On Voyageurs National Park: the authorization has been consumed by past appropriations from this committee for land acquisition within the boundaries of Voyageurs National Park.

The Interior Committee reported this week, H.R. 6290 increasing the authorization for Voyageurs National Park by $12.3 million. The Administration has requested $3.8 million for court awards and deficiencies. This amount is inadequate and should be increased by at least $2 million to $5.8 million.

With Voyageurs National Park, as with the Boundary Waters Canoe Area, many promises were made to the people of northeastern Minnesota that economic activity would increase, property values go up, revenues increase to the counties and the communities.

None of that has happened because we haven't had development of the park area. Development can't proceed until the Park Service acquires the major sites.

We also need development funds to make Voyageurs Park fulfill the promises made 10 years ago when the park was authorized and established.

You have the details of this presentation which I have submitted to the committee.

You have been responsive in the past and I urge your continued support. Thank you.

Mr. **Loeffler**. Thank you, Mr. Oberstar.

THURSDAY, MAY 13, 1982.

NATIONAL ENDOWMENT FOR THE ARTS

WITNESS

TED WEISS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. **WEISS**. Good morning, Mr. Chairman.

Mr. **LOEFFLER**. Mr. Weiss. Without objection the gentleman from New York's prepared testimony will appear in the record at this point.

I also ask unanimous consent that the statement of the gentleman from New York, Mr. Downey, also will appear.

[The statement of Representative Weiss follows:]

TESTIMONY OF REPRESENTATIVE TED WEISS

COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
MAY 13, 1982

MR. CHAIRMAN--I WOULD LIKE TO THANK THE SUBCOMMITTEE FOR THE OPPORTUNITY TO TESTIFY TODAY ABOUT FUNDING FOR THE NATIONAL ENDOWMENTS FOR THE ARTS AND HUMANITIES AND THE INSTITUTE OF MUSEUM SERVICES. I WOULD ALSO LIKE TO TAKE THIS OPPORTUNITY TO THANK THE CHAIRMAN AND THE SUBCOMMITTEE MEMBERS FOR THEIR INVALUABLE WORK IN MAINTAINING FUNDING LEVELS FOR THE ARTS AND THE HUMANITIES. IT IS BECAUSE OF YOUR DEDICATION THAT THE NEA, THE NEH AND THE IMS ARE STILL FULLY FUNCTIONING.

AS YOU ARE NO DOUBT AWARE, THE PRESIDENT HAS ONCE AGAIN PROPOSED DRASTIC CUTS FOR THE TWO ENDOWMENTS AS WELL AS THE TOTAL ELIMINATION OF THE INSTITUTE OF MUSEUM SERVICES. HOWEVER, THE EDUCATION AND LABOR COMMITTEE, OF WHICH I AM A MEMBER, HAS RECOMMENDED TO THE COMMITTEE ON THE BUDGET THAT APPROPRIATIONS BE MAINTAINED AT FISCAL 1982 LEVELS.

THE MAINTENANCE OF FUNDING AT 1982 LEVELS, WHILE APPEARING TO SIMPLY "HOLD THE LINE" ON SPENDING, ACTUALLY REPRESENT A 10% REDUCTION FROM 1981 FUNDING LEVELS WITHOUT TAKING INFLATION INTO ACCOUNT.

IF WE ARE TO BELIEVE THIS ADMINISTRATION WHEN IT SAYS THAT IT DOES CONSIDER THE ARTS IMPORTANT, ONE CAN ONLY WONDER WHY THE CHAIRMEN OF THE NATIONAL ENDOWMENTS AND THE DIRECTOR OF THE INSTITUTE OF MUSEUM SERVICES ARE ACTIVELY SUPPORTING THE REDUCTION OF FUNDING FOR THEIR RESPECTIVE AGENCIES. THEY HAVE TESTIFIED THAT REDUCTIONS IN FEDERAL FUNDING WILL STIMULATE PRIVATE SUPPORT FOR THE ARTS. THIS IS PATENTLY ABSURD.

A HISTORICAL PERSPECTIVE MAY HELP TO CLARIFY THE RELATIONSHIP BETWEEN PRIVATE AND FEDERAL SUPPORT FOR THE ARTS. IN 1966, JUST AFTER THE ESTABLISHMENT OF THE NATIONAL ENDOWMENT FOR THE ARTS, AMERICAN business was contributing only $22 million to the arts. By 1980, that figure had reached $436 million!

It would behoove a budget-conscious Administration to keep in mind the grave economic consequences of undermining the arts industry in this country. Since 1965, the number of symphony orchestras has grown from 25 to 150. The number of professional opera companies has increased by 82, professional dance troupes by 370, and serious theatre groups by 132. Three studies of the economic impact of the arts on the economy of New England, conducted by the New England Foundation for the Arts, report that the arts industry in New England alone affects $1.5 billion in business and approximately 40,000 jobs.

Corporate officials testified this spring at oversight hearings held by the Postsecondary Education Subcommittee that corporate America cannot make up for budget cuts in social and cultural programs no matter how much they might like to. The resources simply are not there. They acknowledged that the arts enliven and stabilize neighborhoods. Corporations are aware that the presence of arts activities and resources attract key management personnel to communities. A Vice President of Philip Morris, Inc. testified that cuts in the budgets for the National Endowments, coupled with disincentives for contributions to non-profit organizations provided by last summer's tax bill, will actually be interpreted by business as a signal of federal lack of interest in the arts. Such a posture will discourage 'undecided' corporations from supporting the arts, he added.

The record is clear. Federal support for the arts has been not only instrumental, but it has been critical, in generating private support for the arts.

Federal support for the humanities is particularly important for the continuation of projects that do not have broad commercial appeal, but are nontheless vital to our development as an educated and moral nation. Because few financial incentives exist for corporations and foundations to support projects such as the editing of scholarly papers, the documentation of historical events such as oral histories, and the consideration of moral and ethical issues, federal financial support becomes all the more critical.

The Director of the Hastings Center, an institute of scholars that considers ethical dilemmas brought about by advances in the medical sciences such as the definition of death and the development of recombinant DNA technology, testified eloquently before our Subcommittee about the importance of federal funding for the humanities. Dr. Callahan put it well when he said, "... a strong society ought to care for those in dire need, and care as well for its cultural institutions, those that are directed not at sustaining the body, but rather sustaining the human spirit and American values. Both needs are critical."

The proposed elimination of the Institute for Museum Services ignores the basic reason for its existence--the inability of museums, ESPECIALLY SMALL COMMUNITY-BASED ORGANIZATIONS, TO ATTRACT PRIVATE FUNDS FOR THEIR OPERATING EXPENSES. ALTHOUGH THE PRIVATE SECTOR HAS RESPONDED ADMIRABLY TO REQUESTS FOR SUPPORT FOR SPECIAL EXHIBITIONS, THEY HAVE SHOWN LITTLE INTEREST IN PAYING THE BILLS FOR MUSEUMS' HEAT AND ELECTRICITY. THE DIRECTOR OF THE INSTITUTE, HOWEVER, APPEARS BLIND TO SUCH REALITIES. IN DEFENDING HER UNREALISTICALLY SANGUINE POSITION ABOUT THE ABILITY OF MUSEUMS TO DO WITHOUT THE SUPPORT OF THE INSTITUTE OF MUSEUM SERVICES, SHE TOLD THE SUBCOMMITTEE ON POST-SECONDARY EDUCATION THAT SHE COULD RAISE MONEY FOR MUSEUMS AT HOME IN TEXAS BY MAKING A FEW PHONE CALLS. WOULD THAT ALL THE SMALL MUSEUMS IN THIS NATION HAD SUCH EASY ACCESS TO GENEROUS FINANCIAL SUPPORT!

THE ADMINISTRATION HAS MADE ITS POSITION CLEAR. WHILE PROPOSING A 30% REDUCTION IN THE BUDGET FOR THE NATIONAL ENDOWMENT FOR THE ARTS TO ONLY $100 MILLION, IT HAS PROPOSED AN INCREASE IN FUNDS FOR MILITARY BANDS. IN FISCAL 1983 THE MILITARY WILL BE ABLE TO SPEND $95.5 MILLION ON ACTIVITIES OF BANDS ALONE. I MIGHT POINT OUT THAT THE ENTIRE BUDGET FOR ALL MUSICAL ACTIVITIES AT THE NEA WOULD BE ONLY $10 MILLION SHOULD THE PRESIDENT'S BUDGET BE APPROVED.

WE ARE LIVING IN STRESSFUL TIMES--TIMES THAT CALL FOR TENDER MINISTRATIONS TO OUR COUNTRY'S BATTERED SPIRIT. THAT SPIRIT IS BEST EXPRESSED THROUGH OUR GREAT CULTURAL RESOURCES. MILITARY STRENGTH ALONE CANNOT SUSTAIN US OR SUBSTITUTE FOR SPIRITUAL WELL-BEING. WE MUST NOT NEGLECT THE SPIRITUAL NEEDS OF OUR NATION.

[The statement of Representative Downey follows:]

STATEMENT OF
HONORABLE THOMAS J. DOWNEY
ON ARTS APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
MAY 12, 1982

Mr. Chairman, thank you for the opportunity to present my views on the arts and their importance to our nation.

Today I would like to express my views on what I feel may be the crucial turning point for the historically important role of the arts in the United States; a turning point that, as a result of the Administration's policies, could spell a grim future for the arts.

While Federal support for the arts may be routed through many varied channels, I would like to focus my attention today on the six largest Federally sponsored programs. These include: The National Endowment for the Arts, The National Endowment for the humanities, The Smithsonian Institution, The National Gallery of Art, The Historic Preservation Fund, and The Institute of Museum Services.

In 1965, the Federal government formalized its support for the arts in legislation creating the National Endowment for the Arts and the National Endowment for the Humanities. This legislation clearly stated that in this nation "it is necessary and appropriate for the Federal government to help create and sustain not only a climate encouraging freedom of thought, imagination and inquiry, but facilitating the release of creative talent." This commitment and support has been bipartisan until this Administration. We have placed the role of art as one of the highest priority and pledged our nation to maintain a healthy environment within which the arts may thrive.

This commitment has been immensely successful. We now have 150 symphony orchestras, 109 opera companies, 70 large and 200 small theaters, over 400 dance companies and every state in the union has a full-time arts agency. Audiences have grown as a result. Through many touring arts projects, areas and audiences with no previous access to larger and more expensive such projects have now had the opportunity to experience the greatness of our nation's arts. Museums have also increased in importance. In 1980, 350 million visitors enjoyed some 4,609 museums.

A large proportion of private support, written into the original legislation for the arts endowments, has made this success possible. The endowments were, from the very beginning, seen as catalysts to enhance and guide private support. We now have special challenge and treasury grants requiring a match of 3 non-Federal dollars for every Federal dollar.

NEA funding encourages local public and private funds for the arts. The Presidential Task Force on Arts and Humanities has recognized the important catalytic function served by NEA determination panels. By providing a "stamp of approval" the NEA is a "guiding light" by which potential private supporters can distinguish arts projects of worth. With NEA approval, corporations will support even what appear to be experimental and innovative projects. This permits many smaller and less-than-mainstream art experiments to receive a chance.

With this in mind, let us now examine the proposals by the Administration to alter our commitment to the arts and what this will mean for the future health of the arts in the United States.

The Administration has stated in discussions regarding funding reductions for the NEA and NEH that:

> For too long, the Endowments have spread Federal financing into an ever-wider range of artistic and literary endeavor, promoting the notion that the Federal Government should be the financial patron of the first resort for both individuals and institutions engaged in artistic and literary pursuits. This policy has resulted in a reduction in the historic role of private individuals and corporate support in these key areas. These reductions in Federal support are a first step toward reversing this trend. (Source: America's New Beginning: A Program for Economic Recovery, pp.6-39)

Private sources should, then, rightfully be asked to bear a greater responsibility for support of the arts. The Administration also feels that State and Local governments should take an increased role of support. Federal financing of the arts, it is argued, must give way to the funding of more important programs.

I would like to argue that this strategy is no strategy at all. It leaves no answer to the needs of the arts in this country. These arguments become nothing more than feeble excuses when held up to the light of reality. This Administration is essentially leaving the arts open to the full force of its tragic economic policies. The results might change the nature of arts where only the strongest will survive.

The private funding "answer" simply will not happen. The Vice President of Philip Morris made this point clear in testimony before a House subcommittee earlier this year:

> The overriding fact is that corporate America, with the best of intentions in the world, is simply incapable of making up for the cuts in social services, education, health, culture and the like. Corporate leaders and company spokesmen have pointed out repeatedly we simply don't have that kind of money.

Given the current economic climate existing under this Administration, it is unclear how anyone can expect business to voluntarily increase its role of support. The same answer exists for the expectation that local governments will take up the financial support role. This simply does not take into account the current fiscal shape of most local governments. Those hardest hit will be the small community groups, the ethnically oriented, and the avant-garde.

The results of these cuts could therefore change the face of the arts in this country. By forcing the arts to enter the struggle for capital more directly, the arts will in turn have to adapt more roward the tastes of the private sector. Only the most popular and recognizable projects will receive support, slowly withering away the varied sources of U.S. creativity. In this field of endeavor, where diversity and innovation are the essence of evolution and strength, the future would then be sterile and conformist. The arts would be left to the elite that could afford them.

The Administration's proposed cuts for the arts are as ill-conceived, harsh and un-American as other cuts in social programs which are made in favor of increasing the budget for the military. Federal support of the arts is only .02% of the national budget. These cuts would signal a new philosophy of government. They do not take into account a historic understanding of the role of art in preserving a healthy and civilized democratic society. They overlook the truth that military strength alone cannot sustain us or support national spiritual strength.

I cannot accept a future which leaves us as a "poor nation with immeasurable wealth"; an aggressive nation that is morally and culturally acquiescent. I ask the members of this subcommittee to resist this Administration's attempts to weaken the strength of this nation's arts.

Mr. WEISS. Thank you very much, Mr. Chairman.

First let me express my appreciation to you and the subcommittee and your distinguished Chairman Yates for giving me the opportunity to appear before you, and also for the magnificent work that this subcommittee performed last year at a time of great economic and budgetary crisis. The holding of cuts in for the Arts and Humanities and Institute for Museum Services to only a 10 to 15 percent level was nothing short of miraculous.

We hope you can repeat your miracles of last year and hold funding to the same level as that adopted last year. That itself would be a 10 percent cut, not considering the added effect of inflation.

In addition to my statement, which you have entered into the record, I have only a few additional comments to make. First, although the city from which I come, and represent a part of, is an important center for culture and the arts, the fact is that culture and the arts are really a national endeavor. There is no State or region of our country that does not have very significant artistic and cultural activity. All have benefited from the very, very modest support from the Federal Government over the course of the last 16 or 17 years.

Indeed, the burgeoning not only of the various companies and artistic groups, but of audiences by the millions is clear testimony to the fact that the American people really have been thirsting for and have been supporting with their own dollars, the growth of the arts and cultural programs of this country.

What has been significant about the programs is that there have been careful judgments made about what programs are working and what individuals are worthy of support, again, of a very modest nature.

Because of the absence of political considerations in these decisions, people have confidence that the Federal Government has been playing it straight. They know that it has been not the judgment of the Federal Government, but the judgment of the various artistic and cultural communities that have been paramount.

Across the country, poll after poll has indicated that people are willing to support these programs. There has been a suggestion made by the Administration trying to justify the proposed Administration budget cuts that Federal participation is not needed at present levels because the private sector will take up the slack. In oversight hearings held by the Subcommittee on Postsecondary Education, of which I am a member, and which has jurisdiction in this area, we have heard testimony to the effect that the private sector will be forced to reduce its contributions rather than increase them because of increased demands from other areas, and because the private sector does not feel confident in making decisions on the artistic merit of projects seeking support.

In the area of museum support, although obviously everyone would prefer that localities could support the museum services by themselves, the fact is that the $11 million which are spent basically for operating expenses are the very areas where you can't get money. People are willing to support exhibitions, but not to pay for lights, heat, and upkeep of museum buildings.

So, I think that the contributions, although small, have gone a long, long way in all three of these areas toward reviving and burgeoning the spirit of this country and its people. And I hope that through your efforts and the efforts of the Congress we can continue having that spirit burning brightly.

Thank you very much.

Mr. LOEFFLER. Thank you, Mr. Weiss.

THURSDAY, MAY 13, 1982.

FISH AND WILDLIFE SERVICE

MADISON, WIS., DISEASE LAB

WITNESS

ROBERT KASTENMEIER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN

Mr. LOEFFLER. Mr. Kastenmeier.

Mr. KASTENMEIER. Thank you, Mr. Chairman. I would like to submit my printed statement for the record together with certain related materials.

Mr. LOEFFLER. Without objection, so ordered. It will appear in the record following your oral testimony.

Mr. KASTENMEIER. I will attempt to summarize, Mr. Chairman. I appreciate the opportunity to appear on behalf of the National Wildlife Health Laboratory which was established by the U.S. Fish and Wildlife Service in Madison, Wisconsin in January 1975.

Through this committee, the Congress, since 1975, has appropriated more than $8 million for the land, buildings and equipment to establish this laboratory. It has a nationwide responsibility for combating disease problems and wildlife under the Fish and Wildlife jurisdiction. It carries out disease diagnosis, and controls activities, conducts research in important disease problems affecting wildlife. It is the only Federal laboratory in the Nation devoted to disease control for the benefit of wildlife populations.

Presently 35 employees perform these functions. While the laboratory has been temporarily housed on the campus of the University of Wisconsin, it will move into its new facility this coming November. During the last 7 years to get a sense of it, the lab has served 135 National Wildlife Refuges in 43 States. About 29,000 disease diagnostic cases have been processed.

Some 40 States conservation departments and 13 other U.S. Government agencies, including the Forest Service, the National Park Service, the Bureau of Land Management, NASA, EPA, National Marine Fisheries Service, the U.S. Armed Forces, and the Center for Disease Control have been serviced by the Laboratory.

In addition, the laboratory serves a number of zoos, universities, and metropolitan governments. It has now an international reputation and has contributed to training scientists from a number of countries other than our own.

The reason I am here, Mr. Chairman, is because the Administration, through the Fish and Wildlife Service, decided to cut off all operating funds for the lab. Thus, they would shut down the laboratory which currently operates at a level of $1,160,000. This is unfortunate because it has a responsibility for the treaties we enter into for our migratory bird treaties, Endangered Species Act, Bald Eagle Act, Marine Mammal Act and all the other responsibilities which are really national. If the lab is closed down there will be no central ability to respond to these obligations. It would create a void. It doesn't really make very much economic sense, either, because the $8 million we have just recently invested on construction of the new laboratory facility would be literally abandoned, as well as the loss in human resources, the scientific team which is assembled there will be destroyed, would be broken up, and all this investment which we have so recently made would be just totally lost.

It is a unique facility, Mr. Chairman, and deserves our continued support. This subcommittee has been very supportive of it, and its activities have contributed to, well, as I said, 43 States including the State of Texas on many occasions.

I would hope that the committee, Mr. Chairman, would see fit to continue to fund the operations of this facility.

Mr. LOEFFLER. Than you.

[The statement of Representative Kastenmeier follows:]

STATEMENT OF REPRESENTATIVE ROBERT W. KASTENMEIER OF WISCONSIN FOR HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, MAY 13, 1982.

Mr. Chairman, I appreciate this opportunity to appear on behalf of the National Wildlife Health Laboratory which was established by the U.S. Fish and Wildlife Service in Madison, Wisconsin in January, 1975.

The National Wildlife Health Laboratory has nationwide responsibility for combating disease problems in wildlife under the Fish and Wildlife Service jurisdiction. It carries out disease diagnosis and control activities, conducts research in important disease problems affecting wildlife and trains others in the identification and control of diseases of wildlife. It is the only Federal laboratory in the nation devoted to disease control in wildlife for the benefit of wildlife populations. The Laboratory has a staff of 35 employees who perform a wide variety of diagnostic or analytical functions. The Laboratory, which is temporarily housed on the campus of the University of Wisconsin, will be moving into its new facility this coming November. Several employees already are working in the new building. Since 1975, more than $8 million has been appropriated by the Congress for land, buildings and equipment.

During the past seven years, the Laboratory has served 135 National Wildlife Refuges in 43 states. About 29,000 disease diagnostic cases have been processed. More than 1,000 eagles have been examined to determine causes of mortality. In 1981, some 4,224 diagnostic specimens were processed. Some 40 state conservation departments and 13 other U.S. Government agencies, including the Forest Service, the National Park Service, the Bureau of Land Management, NASA, EPA

National Marine Fisheries Service, the U.S. Armed Forces and the Center for Disease Control have been serviced by the Laboratory. In addition, the Laboratory serves a number of zoos, universities and metropolitan governments. Lastly, the leadership role exhibited by the Laboratory in aggressively combating wildlife disease problems has contributed to its international reputation and scientists from a number of other nations have come to the Laboratory for training or obtaining information.

In addition to its impressive and important research activities, the staff of the Laboratory has provided expert testimony in a number of cases involving violations of wildlife conservation laws in various states.

At the close of my statement, I have attached a summary of the various services which the Laboratory performs.

The reason I am here today is because the Fish and Wildlife Service has decided to cut off all operating funds for the Laboratory, thus closing down the Laboratory which the Fish and Wildlife Service claims will result in a saving of $1,160,000.

Mr. Chairman, the National Wildlife Health Laboratory budget accounts for less than one-half of one percent of the Fish and Wildlife Service budget, and the decision to close the Laboratory questions the judgment of that agency which is supposed to be concerned about the wildlife resources of this country. The Laboratory is primarily involved with migratory wildlife species that cross both state and international borders during their life cycles. Through congressional mandates and international treaties, such as the Migratory Bird Treaty Act, the Endangered Species Act, the Bald Eagle Act and the Marine Mammal Act, the Fish and Wildlife Service is charged with protecting and maintaining a wide array of wildlife species. Closure of the

Laboratory is a clear abrogation of the responsibility identified with these Acts because the Laboratory is the only Fish and Wildlife Service facility with responsibility, expertise and physical facilities for addressing disease problems in wildlife species. Its closure will create a void that will not be filled by others because there will not be the commitments, mandates or funds to carry out the vital work of the Laboratory.

Furthermore, closure of the Laboratory does not make any economic sense. It would result in the abandonment of an $8 million investment immediately upon completion of construction of the new Laboratory facility which Congress intended when it appropriated funds for the new facility. In addition, a substantial investment in human resources would be lost. This facility, its team of experts and its equipment are not readily adaptable to fill other Fish and Wildlife Service needs because of the high degree of specialization associated with the Laboratory. It would be foolish and it would also be expensive to duplicate the physical facilities and equipment in place elsewhere.

Mr. Chairman, the National Wildlife Health Laboratory is a unique facility which provides leadership and expertise in the prevention and control of diseases in wildlife. It deserves our support. The House Merchant Marine and Fisheries Committee, in its report to the House Budget Committee on the executive budget, recommended that the Laboratory be kept open. The House Interior Committee also expressed its concern about the future of the Laboratory to the House Budget Committee. I urge this Subcommittee to continue its support of the National Wildlife Health Laboratory.

NATIONAL WILDLIFE REFUGES SERVED BY THE NWHL
135 Refuges in 43 States

ALABAMA

Wheeler

ALASKA

Alaska Maritime
Aleutian Islands
Kodiak

ARIZONA

Kofa

ARKANSAS

Wapanocca
Holla Bend

CALIFORNIA

Clear Lake
Colusa
Delavan
Kern
Kesterson
Lower Klamath
Merced
Modoc
Pixley
Sacramento
Salton Sea
San Francisco Bay
San Luis
Sutter
Tule Lake

COLORADO

Monte-Vista

DELAWARE

Prime Hook
Bombay Hook

FLORIDA

Ding Darling
Key West
Lake Woodruff
Loxahatchee
Merritt Island
National Key Deer

HAWAII

Midway

IDAHO

Camas
Deer Flat
Grays Lake
Kootenai

ILLINOIS

Crab Orchard
Chautaqua

IOWA

DeSoto
Union Slough
Benton Lake

KANSAS

Flint Hills

LOUISIANA

Catahoula
D'Arbonne & Upper Ouachita
Lacassine
Sabine

MAINE

Moosehorn

MARYLAND

Blackwater
Eastern Neck

MASSACHUSETTS

Great Meadows
Monomoy
Parker River

MICHIGAN

Seney
Shiawassee

MINNESOTA

Pahranagat
Big Stone

MINNESOTA (cont)

Mille Lacs
Rice Lake
Sherburne
Upper Mississippi

MISSISSIPPI

Miss. Sandhill Crane
Yazoo

MISSOURI

Mingo
Squaw Creek
Swan Lake

MONTANA

Bowdoin
Charles M. Russell
Hailstone
Medicine Lake
Red Rock Lakes

NEBRASKA

Fort Niobrara-Valentine
North Platte
Crescent Lake

NEW JERSEY

Great Swamp
Barnegut
Brigantine

NEW MEXICO

Bitter Lake
Bosque del Apache
San Andres

NEW YORK

Montezuma
Target Rock
Block Island

NEVADA

Anaho Island
Ruby Lake
Stillwater

NORTH CAROLINA

Mattamuskeet
Pea Island
Pee Dee
Pungo
Swanquarter

NORTH DAKOTA

Arrowwood
Des Lacs
J. Clark Salyer
Audubon
Long Lake
Lostwood
Tewaukon
Upper Souris

OHIO

Ottawa

OKLAHOMA

Optima
Salt Plains
Tishomingo
Washita

OREGON

Malheur
Umatilla
Upper Klamath
Wm. L. Finley

SOUTH CAROLINA

Cape Romain
Santee

SOUTH DAKOTA

Sand Lake
La Creek

TEXAS

Aransas
Brazoria
Hagerman

TEXAS (cont)

Muleshoe
San Bernard

UTAH

Bear River
Ouray

VERMONT

Mississquoi

VIRGINIA

Back Bay
Chincoteague
Dismal Swamp
Mason Neck

WASHINGTON

Columbian White-tailed Deer
McNary
Nisqually
Ridgefield
Turnbull
Willapa

WISCONSIN

Horicon
Necedah

WYOMING

National Elk Refuge
Seedskadee

OTHER U.S. GOVERNMENT AGENCIES SERVED BY NWHL

Tennessee Valley Authority
U.S. Forest Service
National Park Service
United States Air Force
National Aeronautics & Space Administration
Environmental Protection Agency
National Oceanography & Aeronautics--National Marine Fisheries Service
Army Corp of Engineers
Bureau of Land Management
Animal Plant Health Inspection Service, National Animal Disease Laboratory
Center for Disease Control - U.S. Public Health Service
U.S. Army
U.S. Navy

STATE & TERRITORIAL AGENCIES SERVED BY THE NWHL
40 States and 2 Territories

Alaska
Arizona
Arkansas
California
Colorado
Florida
Georgia
Guam
Hawaii
Idaho
Illinois
Indiana
Iowa
Kansas
Kentucky
Louisiana
Maine
Michigan
Minnesota
Mississippi
Missouri
Montana
Nebraska
New Hampshire
New Jersey
New Mexico
North Dakota
Ohio
Oklahoma
Oregon
Pennsylvania
Puerto Rico
South Carolina
South Dakota
Tennessee
Texas
Utah
Vermont
Virginia
Washington
West Virginia
Wisconsin
Wyoming

UNIVERSITIES & COOPERATIVE UNITS SERVED BY THE NWHL

Cornell
Colorado State
Oregon State
Texas A&M
University of Wisconsin-Madison
University of Wisconsin-Stevens Point
University of Wisconsin-Oshkosh
Northland College, Wisconsin
Oklahoma State
Texas Tech
Louisiana State
University of Vermont
University of Maine-Orono
University of California-Davis
University of California-Santa Cruz
University of Hawaii-Honolulu
University of Miami
University of Florida-Gainesville
University of Minnesota-Minneapolis
University of Georgia-Athens
Montana State
University of Alaska-Fairbanks
Utah State-Logan
University of Massachusetts-Amherst
College of William & Mary
Southern Illinois

ZOOS SERVED BY THE NWHL

Dickerson Park, Springfield, MO
Philadelphia
Boston Zoological Society
Brownsville
St. Louis
San Diego
National Zoo, Washington
Bronx
Akron
LaCrosse, WI
Sacramento
Africa-Marine World
Buffalo
Cincinnati
San Antonio
Las Vegas
Sea World, San Diego
Denver

METROPOLITAN GOVERNMENTS SERVED BY THE NWHL

Chicago, Illinois
Springfield, Illinois
Pierre, South Dakota

FOREIGN GOVERNMENT AGENCIES SERVED BY THE NWHL

Fauna de Silvestre de Mexico
Canadian Wildlife Service

OTHER CONSERVATION GROUPS SERVED BY THE NWHL

International Bird Rescue, Berkeley, California
International Crane Foundation, Baraboo, Wisconsin
Max McGraw Wildlife Foundation, Dundee, Illinois
Riveredge Nature Center, Newburg, Wisconsin

LEGAL CASES

STATE	SPECIES	PROBLEM	CONVICTION
1. Wash. State	Mourning dove	Strychnine	Yes
2. Wash. State	Eagles	Illegal killing	Yes
3. Minnesota	Owls, hawks	Strychnine	Yes
4. Colorado	Falcon	Strychnine	Outcome unknown
5. Colorado	Eagles	Thallium	Outcome unknown
6. Kansas	Wigeon	Illegal use of pesticide	Yes
7. Wisconsin	Ducks	Illegal use of lead	Yes
8. Wisconsin	Eagle	Illegal killing	Yes
9. Wisconsin	Bluejays, grackles	Illegal trapping & killing	Yes
10. California	Golden eagle	Electrocution	Modify power line
11. California	Eagle	Strychnine	Outcome unknown
12. Colorado	Eagle	Thallium	Outcome unknown
13. Utah	Waterfowl	Industrial waste	Yes
14. Utah	Raptors	Shot	Outcome unknown
15. Arizona	Doves, hawks	Illegal use of pesticide	Yes
16. New Mexico	Waterfowl	Illegal use of pesticide	Outcome unknown
17. Louisiana	Waterfowl	Illegal use of pesticide	Outcome unknown
18. Texas	Waterfowl	Illegal use of pesticide	Outcome unknown
19. Wisconsin	Migratory birds	Illegal use of pesticide	Outcome unknown
20. Ohio	Migratory birds	Strychnine	Outcome unknown
21. Kentucky	Deer	Illegal killing	Yes
22. Pennsylvania	Eagle	Beating death	Yes
23. Florida	Eagles	Arsenic	Outcome unknown
24. Wisconsin	Blue-winged teal	Shot	Outcome unknown
25. Kansas	White pelican	Trauma	Yes
26. Ohio	Migratory birds	Illegal use of pesticides	Outcome unknown
27. Wisconsin	Bald eagle	Gunshot	Outcome unknown
28. Mississippi	Bald eagle	Gunshot	Outcome unknown
29. Iowa	Whistling swan	Gunshot	Outcome unknown
30. North Dakota	Bald eagle	Gunshot	Outcome unknown
31. Wisconsin	Wood duck	Illegal killing	Outcome unknown
32. South Dakota	Eagles	Illegal killing	Outcome unknown
33. Michigan	Bald eagles	Trapping & killing	Outcome unknown

ANNUAL DIE-OFF REPORT (FY 1981)
October 1980 - September 1981
National Wildlife Health Laboratory

Location	Date	Principal species	Principal cause of mortality
Tulare, Basin, CA	06/06-10/11	Waterfowl Shorebirds Other	Botulism C
Great Salt Lake, UT	07/23-10/31	Waterfowl Shorebirds Other	Botulism C
Sacramento NWR, CA	08/12-11/06	Waterfowl	Botulism C
Lake Andes NWR, SD	09/01-10/31	Waterfowl	Botulism C
Cape Cod National Seashore, MA	09/04-11/01	Gulls	Aspergillosis
Cedar Point NWR, OH (Ottawa NWR)	09/25-10/31	Waterfowl Other	Botulism C
Delevan NWR, CA	09/30-10/30	Waterfowl	Botulism C
San Francisco Bay NWR, CA	10/02-10/10	Waterfowl	Botulism C
Salton Sea NWR, CA	10/09-10/15	Waterfowl Shorebirds	Botulism C
Klamath Basin NWR, CA	10/20-04/06	Waterfowl	Avian cholera
Catahoula NWR, LA	10/23-01/31	Mallards Pintails	Lead poisoning
Wilcox Playa, AZ	10/29-11/05	Sandhill Cranes Waterfowl Shorebirds	Botulism C
Easton, MD	11/01-11/12	Mallards (captive)	Duck virus enteritis
Sacramento Delta, CA	11/01-02/06	Waterfowl	Avian cholera
Sacramento NWR, CA	11/03-03/30	Waterfowl	Avian cholera & Botulism C
Texico, NM; Farwell, TX	11/06-11/27	Waterfowl	Botulism C

Location	Date	Principal species	Principal cause of mortality
Victoria, TX	11/09-11/11	Mallards	Duck virus enteritis
Lacassine NWR, LA	11/10	White-fronted geese	Open
Lacassine NWR, LA	11/10-02/09	Waterfowl	Lead poisoning
Aransas NWR, TX	11/10	Sandhill crane	Open
Meriden, CT	11/12	Muscovy	Suspect duck virus enteritis
Harrisburg, PA	11/12	Crows	No specimens
Scottsdale, AZ	11/14	Passerines Raptors	Organophosphate
College Station, TX	11/25	Mallards	Duck virus enteritis
Bosque del Apache NWR, NM	11/28-12/03	Snow geese	Avian cholera
Swan Lake NWR, MO	late Nov.-early Dec.	Canada geese	Suspect avian cholera
Chestnut Hill, PA	Nov.-Feb.	Captive ducks	Open
Eufala NWR, AL	12/01-01/24	Mallards	Aflatoxicosis
Playa Lakes, TX	12/01-04/01	Waterfowl	Avian cholera
Colusa NWR, CA	12/08-02/17	Waterfowl	Avian cholera
Butte Sinks, CA	12/19-02/05	Waterfowl	Avian cholera
Sutter NWR, CA	12/08-02/27	Waterfowl	Avian cholera
Delevan NWR, CA	12/09-03/30	Waterfowl	Botulism C and avian cholera
D'Arbonne NWR, LA	12/11-01/31	Snow geese	Lead poisoning
Plattsmouth, NE	12/11	Snow geese	Avian cholera
Dumas, TX	12/14	Canada geese	Parathion
Squaw Creek NWR, MO and vicinity	12/15-01/31	Snow geese	Avian cholera and lead poisoning

Location	Date	Principal species	Principal cause of mortality
DeSoto NWR, IA	12/15-01/05	Snow geese	Avian cholera
Riverton, IA	12/16-12/29	Snow geese Mallards	Avian cholera
Sandusky, OH	12/30-01/12	Ducks	Open
Central WI	Dec.-May	Beaver, muskrat	Tularemia
Milford, IA	01/01	Captive geese	Open
LaCreek NWR, SD	01/02	Trumpeter swans	Lead poisoning
Eastern Neck NWR, MD	01/13	Whistling swans Mallards	Visceral gout
Stuttgart, AR	01/14	Snow geese	Bean impaction
East central, WI	01/14-03/16	Canada geese	Lead poisoning
Parker River NWR, MA	01/17-01/19	Black ducks Mergansers	Capillariasis
Union County, IL	01/20-02/27	Canada geese	Avian cholera
Dumas, TX	01/24	Canada geese	Parathion
Ballard County, KY	01/27-02/27	Canada geese	Avian cholera
Wake Island, S. Pacific	Jan.-Feb.	Sooty terns	No specimens
Detroit, MI	02/11-02/18	Canada geese	Lead poisoning
Southeast CO	02/16-03/10	Canada geese Mallards	Avian cholera
Optima NWR, OK	02/22-04/06	Waterfowl	Avian cholera
Rosemont, IL	02/23-02/26	Waxwings	No specimens
Rainwater Basin, NE	02/23-04/15	Waterfowl	Avian cholera
Hagerman NWR, TX	02/24-03/05	Canada geese	Organophosphates
Salton Sea NWR, CA	02/25-03/13	Waterfowl	Avian cholera
Market Lake and Mud Lake, ID	03/04-03/31	Waterfowl	Avian cholera
Lake Andes NWR, SD	03/27-04/24	Waterfowl	Botulism type C

Location	Date	Principal species	Principal cause of mortality
Lake Charles, LA	04/02-04/08	Waterfowl	Azodrin poisoning
Philadelphia, PA	04/10-04/20	Ducks (zoo)	Open
Broadview Marsh, MT	03/10-09/30	Waterfowl	Powerline mortality Botulism C
Sacramento, CA	04/13-04/22	Mallards Muscovies	Duck virus enteritis (duck plague)
Kindersley, SASK	04/15-04/30	Snow geese	Avian cholera
Sarasota, FL	April-May	Brown pelicans	Open
Lake Butte des morts, WI	April-May	Coot	Trematodiasis (*Sphaeridiotrema globulis*)
Dundee, IL	05/01-06/06	Mallards Black ducks (captive)	Duck Plague (DVE)
Alamosa NWR, CO	05/15	Pinon jays	Open
Redwood City, CA	06/06-06/23	Muscovy	Duck virus enteritis (duck plague)
Holla Bend NWR, AR	06/10-06/12	Canada geese (captive)	No specimens
Oshkosh, WI	07/01-07/05	Mallards	Botulism C
San Francisco Bay NWR, CA	07/12-09/30	Waterfowl	Botulism C
Devil's Lake, ND	07/14-09/01	Waterfowl	Botulism C
Napolean Marsh, ND	07/15-09/21	Ducks, coots, w. pelicans	Botulism C
Green Bay, WI	07/15-07/23	Ring-billed gulls	Botulism E
Fox River, WI	07/15-07/28	Muscovies (captive)	Botulism C
Whitefish Bay, MI	07/17	Common loons	Botulism E
Livingston County, KY	03/05-03/25	Mallards/ Pintails Raptors	Unknown[1]

Location	Date	Principal species	Principal cause of mortality
J. Clark Salyer NWR, ND	07/20-09/02	Waterfowl	Botulism C
Horicon NWR, WI	07/21-cont.	Waterfowl, coot	Botulism C
Klamath Basin NWR, CA	07/28-cont.	Waterfowl	Botulism C
Twin Lakes, SD	07/29	Terns, gulls shorebirds	Hailstorm
Bowdoin NWR, MT	late July-09/14	Waterfowl	Botulism C
State of Michigan	July	Gulls	Botulism C
Market Lake, ID	08/01-09/24	Waterfowl	Botulism C
Buffalo Lodge Lake, ND	08/07-09/01	Waterfowl, shorebirds	Suspect botulism C
Sacramento NWR, CA	08/10-cont.	Waterfowl	Botulism C
Lakeside, OH	08/10	Mallards	Unknown
Green Bay, WI	08/16-08/22	Mallards Black ducks	Botulism C Botulism C
Detroit, MI	08/20-09/04	Mallards	Botulism C
Bear River MBR, UT	08/21-09/24	Ducks Shorebirds	Botulism C
Stillwater NWR, NV	08/24-cont.	Waterfowl	Botulism C
Piyas Lake, SD	08/25-09/30	Waterfowl	Botulism C
Lake Alice NWR, ND	08/27	Ducks	Botulism C
Big Lake/Spidel Marsh, MT	August	Waterfowl	Botulism C
Deer Flat NWR, ID	09/07/81	Canada geese	Pending
Las Vegas NWR, NM	09/09	Waterfowl	Unknown
Casselberry, FL	09/10-09/24	Mallards	Botulism C
Standish, MI	09/30	Canada geese	Aspergillosis
Jackson Park, WI	September	Semi-domestic waterfowl	Botulism C

NATIONAL WILDLIFE HEALTH LABORATORY

FIELD DIE-OFFS

1 October 1981 - 31 March 1982

Location	Principal species	Principal cause of mortality
San Francisco Bay area, CA	Waterfowl, shorebirds	Botulism C
Horicon NWR, WI	Ducks, coots	Botulism C
Klamath Basin NWRs, CA	Waterfowl, shorebirds	Botulism C
Sacramento NWR, CA	Waterfowl, shorebirds	Botulism C
Stillwater WMA, NY	Waterfowl, shorebirds	Botulism C
Delavan NWR, CA	Waterfowl, shorebirds	Botulism C
Sutter NWR, CA	Waterfowl	Botulism C
Columbus, OH	Canada geese, ducks mourning doves, passerines	Dasanit (Carbamate) poisoning
Bosque del Apache NWR, NM	Ducks, coots	Botulism C
Colusa NWR, CA	Waterfowl	Botulism C
Klamath Basin NWRs, CA	Waterfowl	Avian cholera
Avoca Island, LA	Ducks, shorebirds	Botulism C
Walla Walla, WA	Mallard crosses	Aspergillosis
Hagerman NWR, TX	Franklin's gulls	Suspect aflatoxicosis
Cook County, IL	Common loons, gulls	Botulism E and C
Delavan NWR, CA	Waterfowl	Avian cholera
Sutter NWR, CA	Waterfowl	Unknown
Sacramento NWR, CA	Waterfowl	Avian cholera
Squaw Creek NWR, MO	Snow geese	Lead poisoning
Plattsmouth, NE	Snow geese	Lead poisoning Avian cholera
Savannah, GA	Ducks, gulls, shorebirds	Pending
Hunter, AR	Ducks	Lead poisoning
Bitter Lake NWR, NM	Sandhill cranes	Pending
Okanogan Co., WA	Coots	Undetermined
Sacramento-San Joaquin Delta, CA	Waterfowl	Avian cholera
Padre Island, TX	Common loons	Pending
Butte Sink, CA	Waterfowl	Avian cholera
Colusa NWR, CA	Waterfowl	Avian cholera
Sacramento San Joaquin Valley	Whistling swans	Lead poisoning
Upper Mississippi NWR, WI	Canada geese	Lead poisoning
Bitter Lake NWR, NM	Sandhill cranes	Undetermined
Back Bay NWR, VA	Snow geese	Visceral gout
Milwaukee, WI	House sparrows	Salmonellosis
Glasgow, MT	Mallards	Starvation

Location	Principal species	Principal cause of mortality
Playa Lakes, TX	Waterfowl	Avian cholera
Bosque del Apache NWR, NM	Snow geese	Avian cholera
Southport, NC	Brown pelicans	Pending
New Bern, NC	Brown pelicans	Pending
Sutter NWR, CA	Waterfowl	Avian cholera
Lewiston, ID	Mallards	Pesticide poisoning (Baytex)
Monte Vista NWR, CO	Mallards, Canada geese	Avian cholera
Great Salt Lake, UT	Shovelers	Starvation
Boardman, OR	Mallards	Lead poisoning
Gaines Co., TX	Sandhill cranes	Suspect mycotoxicosis
Rainwater Basin, NE	Waterfowl	Avian cholera
Southeast CO	Snow geese, ducks	Avian cholera
Newport, OR	Herring gulls	Pending

Endangered Species Processed

by

National Wildlife Health Laboratory

- Peregrine falcon
- Sea otter
- Hooded crane
- Siberian crane
- Whooping crane
- Brown pelican
- Mississippi sandhill crane
- Delmarva fox squirrel
- Puerto Rican sharp-shinned hawk
- Hawaiian crow
- Everglades kite
- Least tern
- Barn owl (Wisconsin)
- Menatee
- Eastern bluebird (NJ)
- Aleutian Canada goose
- Newell's shearwater
- Duskey seaside sparrow
- Madchurian crane

THURSDAY, MAY 13, 1982.

FISH AND WILDLIFE SERVICE

FISH HATCHERIES

WITNESS

GENE TAYLOR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

Mr. LOEFFLER. The gentleman from Missouri, Mr. Taylor.

Mr. TAYLOR. Thank you, Mr. Chairman.

Mr. Chairman, I ask consent to have my statement entered into the record.

Mr. LOEFFLER. Without objection, so ordered.

Mr. TAYLOR. Mr. Chairman, I appreciate the opportunity to convey to the subcommittee my sincere desire that it restore funding for the 31 national fish hatcheries that have been scheduled for closing in the President's budget proposals for fiscal year 1983.

I make special reference to the hatchery located in my Congressional District in the City of Neosho, Missouri. Of course, there is a certain amount of civic pride involved here because the Neosho Hatchery is the oldest national fish hatchery in operation today, having been established in 1888. Needless to say, it has become a good tourist attraction for the community.

Most importantly, however, is the fact that the hatchery has, in the past, been recommended for mitigation stocking because habitat losses were significant along the White River system when the Corps of Engineers constructed four reservoirs some years ago. The Neosho hatchery was specifically identified as stocking into mitigation in the region 6 budget submission for fiscal 1981.

One of the four reservoirs, Tablerock Lake, discharges water into Lake Taneycomo which was formed in 1913. It transformed Taneycomo from a warm water to a cold water lake. The cold water discharged into Lake Taneycomo virtually eliminating its warm water fish.

Subsequently, it has been stocked for the past 18 years with trout supplied by the Neosho National Fish Hatchery. More than 12 million rainbow trout have now been released into the waters, which of course have attracted thousands of tourists into our area and made a great contribution to the economy of Southwest Missouri.

The Neosho facility also produces smallmouth bass, tiger musky, striped bass and musky. All smallmouth bass produced are stocked into Federal waters.

The operating cost of the Neosho Hatchery is minimal. I understand the fiscal year 1982 operating cost is $123,000 for four employees. In fact, the total $3.7 million in savings envisioned by the budget for all 31 hatcheries is not very significant when we are talking about Federal expenditures of better than $750 billion for fiscal year 1983.

Mr. Chairman, I do not want to belabor the issue or take up any more of the committee's time. I know you have much work to do. I do appreciate your courtesy in hearing me and I will be glad to respond to any questions you might have.

[The statement of Representative Taylor follows:]

TESTIMONY BY
CONGRESSMAN GENE TAYLOR (R-MO)
BEFORE THE SUBCOMMITTEE ON INTERIOR
OF THE HOUSE APPROPRIATIONS COMMITTEE

THURSDAY, MAY 13, 1982

MR. CHAIRMAN, I APPRECIATE THE OPPORTUNITY TO CONVEY TO THE COMMITTEE MY SINCERE DESIRE THAT IT RESTORE FUNDING FOR THE 31 NATIONAL FISH HATCHERIES THAT HAVE BEEN SCHEDULED FOR CLOSING IN THE PRESIDENT'S BUDGET PROPOSALS FOR FISCAL 1983.

I MAKE SPECIAL REFERENCE TO THE HATCHERY LOCATED IN MY CONGRESSIONAL DISTRICT IN THE CITY OF NEOSHO, MISSOURI. OF COURSE, THERE IS A CERTAIN AMOUNT OF CIVIC PRIDE INVOLVED HERE BECAUSE THE NEOSHO HATCHERY IS THE OLDEST NATIONAL FISH HATCHERY IN OPERATION TODAY, HAVING BEEN ESTABLISHED IN 1888. NEEDLESS TO ADD, IT HAS BECOME A GOOD TOURIST ATTRACTION FOR THE COMMUNITY.

MOST IMPORTANTLY, HOWEVER, IS THE FACT THAT THE HATCHERY HAS IN THE PAST BEEN RECOMMENDED FOR MITIGATION STOCKING BECAUSE HABITAT LOSSES WERE SIGNIFICANT ALONG THE WHITE RIVER SYSTEM WHEN THE CORPS OF ENGINEERS CONSTRUCTED FOUR RESERVOIRS SOME YEARS AGO. THE NEOSHO HATCHERY WAS SPECIFICALLY IDENTIFIED AS STOCKING INTO MITIGATION IN THE REGION 6 BUDGET SUBMISSION FOR FISCAL 1981.

ONE OF THE FOUR RESERVOIRS, TABLEROCK LAKE, DISCHARGES WATER INTO LAKE TANEYCOMO WHICH WAS FORMED IN 1913. IT TRANSFORMED TANEYCOMO FROM A WARM WATER TO A COLD WATER LAKE. THE COLD WATER DISCHARGED INTO LAKE TANEYCOMO VIRTUALLY ELIMINATING ITS WARM WATER FISH. SUBSEQUENTLY, IT HAS BEEN STOCKED FOR THE PAST 18 YEARS WITH TROUT SUPPLIED BY THE NEOSHO NATIONAL FISH HATCHERY. MORE THAN 12 MILLION RAINBOW TROUT HAVE NOW BEEN RELEASED INTO THE WATERS.

THE NEOSHO FACILITY ALSO PRODUCES SMALLMOUTH BASS, TIGER MUSKY, STRIPE BASS AND MUSKY. ALL SMALLMOUTH BASS PRODUCED ARE STOCKED INTO FEDERAL WATERS.

THE OPERATING COST OF THE NEOSHO HATCHERY IS MINIMAL. I UNDERSTAND THE FISCAL YEAR 1982 OPERATING COST IS $123,000 FOR FOUR EMPLOYEES. IN FACT, THE TOTAL $3.7 MILLION IN SAVINGS ENVISIONED BY THE BUDGET FOR ALL 31 HATCHERIES IS NOT VERY SIGNIFICANT WHEN WE ARE TALKING ABOUT FEDERAL EXPENDITURES OF BETTER THAN $750 BILLION FOR FISCAL '83.

MR CHAIRMAN, I DO NOT WANT TO BELABOR THE ISSUE OR TAKE UP ANY MORE OF THE COMMITTEE'S TIME. I KNOW YOU HAVE MUCH WORK TO DO. I DO APPRECIATE YOUR COURTESY IN HEARING ME AND I'LL BE GLAD TO RESPOND TO ANY QUESTIONS YOU MIGHT HAVE.

Mr. **Loeffler**. As the gentleman from Missouri knows, I too have an interest in fish hatcheries. I can assure the gentleman from Missouri that this subcommittee will be taking a very close look at it, and we look forward to working with you.

I thank the gentleman.

Mr. **Taylor**. Thank you, Mr. Chairman. I appreciate your time.

Mr. **Loeffler**. At this point we will insert a number of letters from Members of Congress concerning the closing of fish hatcheries.

[The letters follow:]

STROM THURMOND, S.C., CHAIRMAN

CHARLES McC. MATHIAS, Jr., MD.
PAUL LAXALT, NEV.
ORRIN G. HATCH, UTAH
ROBERT DOLE, KANS.
ALAN K. SIMPSON, WYO.
JOHN EAST, N.C.
CHARLES E. GRASSLEY, IOWA
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VINTON DEVANE LIDE, CHIEF COUNSEL
QUENTIN CROMMELIN, JR., STAFF DIRECTOR

United States Senate
COMMITTEE ON THE JUDICIARY
WASHINGTON, D.C. 20510

March 23, 1982

Representative Sidney R. Yates, Chairman
Subcommittee on Interior and Related Agencies
House Committee on Appropriations
Room B 308, Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

We are writing to request your assistance in continuing funding for the United States Fish and Wildlife Service fish hatcheries at Cheraw and Walhalla, South Carolina.

As you may know, funding for these hatcheries was included in the FY 1982 Interior Appropriations Act signed by the President. The proposed FY 1983 Budget does not include any funding for these projects, however, and we are informed that preparations are being made for their closing during the current fiscal year.

These hatcheries are vital to the sustenance of the sport fishery program in South Carolina. Sport fishing is the principal outdoor recreational activity within the State. With the ever-increasing demand on this limited resource, these hatcheries are essential to the maintenance of quality freshwater fishing.

The Cheraw National Fish Hatchery is the sole source of fish production for a forty-two county area of North and South Carolina. Fingerlings from this hatchery stock approximately 800 ponds annually. Moreover, this hatchery produces the entire supply of smallmouth bass for stocking public waters throughout the State.

The Walhalla National Fish Hatchery is the only cold water fish hatchery in the State. Approximately seventy-five percent of the fish stock produced at this hatchery is deposited into Federal waters, including the headwaters of several Federal hydroelectric projects.

These hatcheries have been highly successful operations, and they continue to meet a great demand in our State. The South Carolina Wildlife and Marine Resources Department firmly believes that the State lacks the expertise and financial resources necessary to assume the functions of the Cheraw and Walhalla hatcheries. Accordingly, we urge you to continue the funding for these projects through the coming fiscal year.

Representative Sidney R. Yates
March , 1982
Page Two

With kindest regards and best wishes,

Sincerely,

Strom Thurmond
Strom Thurmond

Fritz Hollings
Ernest F. Hollings

Thomas F. Hartnett
Thomas F. Hartnett

Floyd Spence
Floyd Spence

Butler Derrick
Butler Derrick

Carroll Campbell
Carroll Campbell, Jr.

Kenneth L. Holland
Kenneth L. Holland

John L Napier
John L. Napier

cc: Representative Joseph M. McDade
House Committee on Appropriations
Room B 308, Rayburn House Office Building
Washington, D.C. 20515

ROBERT H. MOLLOHAN
1ST DISTRICT, WEST VIRGINIA

COMMITTEES:
ARMED SERVICES
HOUSE ADMINISTRATION

PLEASE SEND CORRESPONDENCE TO
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Congress of the United States
House of Representatives
Washington, D.C. 20515

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232-5390

April 23, 1982

fwd
SRY has
not seen

The Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB
Washington, D.C.

Dear Mr. Chairman:

I wish to bring to your attention the disastrous effect that the Fish & Wildlife Service's proposal to close 31 national fish hatcheries and cut millions from the hatcheries program will have on the recreational fishing programs and even revenues of our State Governments.

The Department of Natural Resources in Charleston, West Virginia is particularly concerned about the plans to close the Bowden National Fish Hatchery by October 1, 1982 since the State budget restrictions would keep the Department from assuming operations itself. The Fish and Wildlife Service is now informing the States that 31 hatcheries will not be funded, despite no Congressional action on the FY1983 budget, and that State Departments should begin discussions of transfers, if they are interested, immediately.

I have informed the Director of the West Virginia Department of Natural Resources of your plans to hold hearings on the budget proposals of the Interior Department May 20 and of the prospects for strong case against what could be precipitous actions to close almost half our hatcheries. I would be most grateful if you could give these vital programs, including the very successful operation at Bowden, the highest consideration.

With continued best wishes, I am

Sincerely,

Robert H Mollohan

Robert H. Mollohan

RHM/dk

NICK J. RAHALL, II
4TH DISTRICT, WEST VIRGINIA

COMMITTEES:
PUBLIC WORKS AND
TRANSPORTATION

SUBCOMMITTEES:
AVIATION
WATER RESOURCES
SURFACE TRANSPORTATION

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Washington, D.C. 20515

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1005 FEDERAL BUILDING
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R K BUILDING
LOGAN, WEST VIRGINIA 25601
(304) 752-4934

February 24, 1982

The Honorable John B. Breaux, Chairman
Subcommittee on Fisheries, Wildlife, and
the Environment
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing today to request your assistance for the Bowden National Fish Hatchery in Bowden, West Virginia. As you know, the Administration wants to end all funding for this Hatchery in FY 83.

The Department of Natural Resources in West Virginia has contacted me on this matter and informed me that due to the State's current budget restrictions, it would not be able to operate the Bowden Hatchery without federal funds.

Trout fishing is a large industry in West Virginia. In 1960 the Fish and Wildlife Service established the Bowden Hatchery. Since that time the State has developed one of the most efficient stocking programs in the country. The Hatchery produces about 1/3 of the trout stocked in my state. This provides recreation for some 200,000 fishermen who log in 3,000,000 days of fishing each year. It is extimated that fishing adds $40 million to the State's economy each year.

As you can see Mr. Chairman, fishing is an important industry in my state. The closing of the Bowden Hatchery will have a negative impact on West Virginia's economy.

At this time I respectfully ask for your consideration to authorize funding for this program in FY 83. The Fish and Wildlife service was going to ask $215,000.00 to operate this Hatchery in FY 83.

I hope that you will be able to assist West Virginia on this matter. If I can provide any additional information, please feel free to call on me.

Thanking you in advance and with warm personal regard, I am

Sincerely,

Nick

NICK J. RAHALL, II
Member of Congress

Enclosures

cc: The Honorable Sidney Yates, Chairman ✓

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

1982 FEB 16 AM

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
CHARLESTON 25305

JOHN D. ROCKEFELLER IV
Governor

DAVID C. CALLAGHAN
Director
WILLIS H. HERTIG, JR.
Deputy Director

February 9, 1982

Honorable Nick J. Rahall, II
Congress of the United States
House of Representatives
408 Cannon Building
Washington, D. C. 20515

Dear Congressman Rahall:

I have just learned that there are no funds included in the Fish and Wildlife Service's FY 1983 budget for staffing or operation of Bowden National Fish Hatchery at Bowden, West Virginia. Furthermore, it is currently planned to phase out the operation of Bowden Hatchery in FY 82.

As I am sure you remember, I wrote to you on October 29, 1981, when it was previously proposed by the Fish and Wildlife Service to close Bowden Hatchery (letter attached).

I am again calling for your assistance, as I did in October, to prevent the closure of Bowden Hatchery and to assure that it receives full funding in the Fish and Wildlife Service FY 83 budget.

The closure of Bowden Hatchery would have a disastrous affect on West Virginia's trout stocking program. It would result in the loss of hundreds of thousands of man days of recreational fishing and millions of dollars of revenue to the state. With our current budget restrictions, the Department of Natural Resources would be unable to operate Bowden Hatchery should it be offered to us.

Your attention to this matter is urgently requested.

Sincerely,

Dave

David C. Callaghan
Director

DCC/rmg

Enclosure

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1981 NOV -2 AM 11:07

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
CHARLESTON 25305

JOHN D. ROCKEFELLER IV
Governor

DAVID C. CALLAGHAN
Director
WILLIS H. HERTIG, JR.
Deputy Director

October 29, 1981

The Honorable Nick J. Rahall II
Congress of the United States
House of Representatives
408 Cannon House Office Building
Washington, D. C. 20515

Dear Congressman Rahall:

It has been brought to my attention that the Fish and Wildlife Service FY '82 second round budget cuts call for the closure of the Bowden National Fish Hatchery at Bowden, West Virginia. This hatchery, established by the Fish and Wildlife Service, began production in 1960 and annually produces almost 30% of the catchable trout stocked in West Virginia waters.

West Virginia currently has one of the most effective and progressive trout stocking programs in the nation. This program has been developed over the years as a cooperative effort by the United States Fish and Wildlife Service and the West Virginia Department of Natural Resources.

West Virginia's 200,000 trout fishermen annually fish some three million man days for stocked trout. In addition, trout fishing plays an important role in the State's economy. Each year, trout fishermen spend $40 million on food, lodging, gasoline, and equipment in pursuit of their sport. Trout fishing is big business in West Virginia.

The closure of Bowden National Hatchery would have a disastrous impact on our trout program and result in the loss of hundreds of thousands days of recreational fishing and millions of dollars of revenue to the State. Our current budget restrictions would not permit the Department of Natural Resources to operate Bowden Hatchery should the Fish and Wildlife Service succeed in closing it.

Enclosed is a Resolution adopted by the Natural Resources Commission at their quarterly meeting on October 18, 1981, expressing their opposition to the Fish and Wildlife Service's closure of Bowden Hatchery.

The Honorable Nick J. Rahall II
Page Two
October 29, 1981

I am, therefore, urging that you take all possible steps to insure that the Bowden National Fish Hatchery receives full funding in the Fish and Wildlife Service's 1982 budget.

Your attention to this matter is urgently requested.

Sincerely,

David C. Callaghan
Director

DCC/rmg

Enclosure

cc: Natural Resources Commission Members

W. G. (BILL) HEFNER
8th District, North Carolina

2161 Rayburn House Office Building
Washington, D.C. 20515
(202) 225-3715

Committees:
COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON DEFENSE
SUBCOMMITTEE ON MILITARY CONSTRUCTION
COMMITTEE ON THE BUDGET

Congress of the United States
House of Representatives
Washington, D.C. 20515

District Offices:
P.O. Box [illegible]
2202 South Cannon Boulevard
Kannapolis, North Carolina 28081
(704) 933-1615

P.O. Box 4220
Home Savings and Loan Bldg.
507 West Innes Street, Suite 225
Salisbury, North Carolina 28144
(704) 636-0635

P.O. Box 1503
202 E. Franklin Street, Suite 200-201
Rockingham, North Carolina 28379
(919) 997-2070

April 1, 1982

Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
House Appropriations Committee
B308 Rayburn HOB

Dear Mr. Chairman:

You are aware that the President's Budget Message to Congress proposes the closing of 31 warm water fish hatcheries throughout the country. One of these is the McKinney Lake Fish Hatchery located in Hoffman, North Carolina, which is in my Congressional District. I am writing to urge that your Subcommittee give this matter serious consideration and again provide sufficient funding to maintain the important fish hatchery program.

The McKinney Lake facility is particularly important to the fish management program in my State of North Carolina and it is absolutely vital to the long range planning of that program for this hatchery to continue in operation. The facility is of great economic benefit to the area, providing both direct and indirect employment. Fish from the hatchery are used throughout North Carolina and some areas of South Carolina to stock ponds, rivers, lakes, and streams. McKinney Lake has an excellent water source and its continued operation as a hatchery is essential to the preservation of wildlife in the area.

One of the criteria used for closing down this facility is the age and condition and the cost of rehabilitation. Fish and Wildlife Service has estimated the cost of rehabilitation of this facility to be $2,780,000. However, the Manager of the facility indicates to me that it would require only $200,000 to bring it up to standard and it is certainly operational in its present condition.

The operating cost of this facility is $90,000 and while I appreciate the Administration's desire to save some $3.7 million with the closure of these 31 hatcheries, elimination of this program may further exacerabate the unemployment and economic problems in the areas where they are located. I also believe such a move would be detrimental to the wildlife and fish management program in North Carolina and other affected states.

If there is additional information I might provide you and your staff on this issue, I would be pleased to do so.

Thank you for your interest and consideration, and with kindest personal regards, I am

Sincerely,

Bill Hefner
BILL HEFNER
Member of Congress

BH/ids

STROM THURMOND, S.C., CHAIRMAN
CHARLES McC. MATHIAS, JR., MD.
PAUL LAXALT, NEV.
ORRIN G. HATCH, UTAH
ROBERT DOLE, KANS.
ALAN K. SIMPSON, WYO.
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MAX BAUCUS, MONT.
HOWELL HEFLIN, ALA.
VINTON DEVANE LIDE, CHIEF COUNSEL
QUENTIN CROMMELIN, JR., STAFF DIRECTOR

United States Senate
COMMITTEE ON THE JUDICIARY
WASHINGTON, D.C. 20510

March 23, 1982

RECEIVED
MAR 25 1982
APPNS. CMTE.

Representative Jamie L. Whitten, Chairman
House Committee on Appropriations
Room H 218, United States Capitol Building
Washington, D.C. 20515

Dear Mr. Chairman:

We are writing to request your assistance in continuing funding for the United States Fish and Wildlife Service fish hatcheries at Cheraw and Walhalla, South Carolina.

As you may know, funding for these hatcheries was included in the FY 1982 Interior Appropriations Act signed by the President. The proposed FY 1983 Budget does not include any funding for these projects, however, and we are informed that preparations are being made for their closing during the current fiscal year.

These hatcheries are vital to the sustenance of the sport fishery program in South Carolina. Sport fishing is the principal outdoor recreational activity within the State. With the ever-increasing demand on this limited resource, these hatcheries are essential to the maintenance of quality freshwater fishing.

The Cheraw National Fish Hatchery is the sole source of fish production for a forty-two county area of North and South Carolina. Fingerlings from this hatchery stock approximately 800 ponds annually. Moreover, this hatchery produces the entire supply of smallmouth bass for stocking public waters throughout the State.

The Walhalla National Fish Hatchery is the only cold water fish hatchery in the State. Approximately seventy-five percent of the fish stock produced at this hatchery is deposited into Federal waters, including the headwaters of several Federal hydroelectric projects.

These hatcheries have been highly successful operations, and they continue to meet a great demand in our State. The South Carolina Wildlife and Marine Resources Department firmly believes that the State lacks the expertise and financial resources necessary to assume the functions of the Cheraw and Walhalla hatcheries. Accordingly, we urge you to continue the funding for these projects through the coming fiscal year.

Representative Jamie L. Whitten
March , 1982
Page Two

With kindest regards and best wishes,

Sincerely,

Strom Thurmond
Strom Thurmond

Fritz Hollings
Ernest F. Hollings

Thomas F. Hartnett

Floyd Spence
Floyd Spence

Butler Derrick

Carroll Campbell
Carroll Campbell, Jr.

Kenneth L. Holland
Kenneth L. Holland

John L. Napier

cc:Representative Silvio O. Conte
House Committee on Appropriations
Room H 218, United States Capitol Building
Washington, D.C. 20510

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

WITNESS

DOUGLAS BEREUTER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEBRASKA

Mr. **LOEFFLER**. If the gentleman from Nebraska would kindly come to the witness table.

Mr. **BEREUTER**. I do have testimony I would like to summarize parts of and have it made a part of the record.

Mr. **LOEFFLER**. Without objection, so ordered.

[The statement of Representative Bereuter follows:]

TESTIMONY BY HONORABLE DOUG BEREUTER
BEFORE THE
INTERIOR SUBCOMMITTEE OF THE
HOUSE APPROPRIATIONS COMMITTEE
MAY 13, 1982

MR. CHAIRMAN. THANK YOU FOR AFFORDING ME THE OPPORTUNITY TO APPEAR BEFORE YOUR SUBCOMMITTEE TODAY TO DISCUSS SEVERAL ASPECTS OF NATIONAL PARK SERVICE FUNDING OF KEY CONCERN TO ME. I HOPE THAT MY REMARKS TODAY WILL BE HELPFUL TO THE SUBCOMMITTEE IN ITS DIFFICULT TASK OF DEVELOPING AN APPROPRIATIONS MEASURE FOR THE PARK SERVICE.

ONE OF THE MOST IMPORTANT LEGACIES THAT EACH GENERATION OF AMERICANS LEAVES TO THE NEXT IS THE NATIONAL PARK SYSTEM. INCLUDED IN THAT SYSTEM ARE SOME OF THE MOST BEAUTIFUL AND SIGNIFICANT AREAS IN THE COUNTRY. AND YET THIS TRULY REMARKABLE SYSTEM FACES SOME IMPORTANT PROBLEMS WHICH NEED TO BE CORRECTED.

PERHAPS THE MOST SIGNIFICANT OF THESE INVOLVES THE MULTITUDE OF EXTERNAL AND INTERNAL THREATS. THE PARK SERVICE HAS THE AUTHORITY, BUT NOT NECESSARILY THE FUNDING, TO DEAL WITH THE INTERNAL THREATS. UNDER CURRENT LAW, THE PARK SERVICE OFTEN CANNOT DEAL WITH MANY OF THE EXTERNAL THREATS.

In May 1980, the National Park Service issued the first State of the Parks report. That report concluded that the threats facing the System were real and serious:

> The results of this study indicate that no parks of the System are immune to external and internal threats, and that these threats are causing significant and demonstrable damage. There is no question but that these threats will continue to degrade and destroy irreplaceable park resources until such time as mitigation measures are implemented. In many cases, this degradation or loss of resources is irreversible. It represents a sacrifice by a public that, for the most part, is unaware that such a price is being paid.

Since the publication of the report, the Park Service has begun to rank the problems. To date, 38 natural and 63 cultural Servicewide Significant Resource Problems have been identified. These are the most pressing problems. There are, of course, hundreds of other problems which require attention. Among the most significant problems are mining outside Glacier National Park, chemical and sewage pollution at Mammoth Cave, deterioration of Fort Hancock at Gateway National Recreation Area, blasting near Chaco Canyon National Historic Park, and deterioration of the Lincoln Collection at Union Station.

ALL OF THE MOST IMPORTANT PROBLEMS MUST BE DEALT WITH AS SOON AS POSSIBLE. THE PARK SERVICE HAS NOT ASKED FOR SUFFICIENT FUNDING IN FISCAL YEAR 1983 TO DO THIS, ESPECIALLY FOR THE 38 NATURAL SIGNIFICANT RESOURCE PROBLEMS. THE SERVICE IS PLANNING TO REQUEST A TOTAL OF APPROXIMATELY $8 MILLION THROUGH FISCAL YEAR 1985 TO DEAL WITH THESE HIGHEST PRIORITY NATURAL RESOURCE PROBLEMS. I BELIEVE THAT THE MAGNITUDE AND SERIOUSNESS OF THESE PROBLEMS REQUIRE THAT THEY BE DEALT WITH MUCH MORE QUICKLY. CERTAINLY, IF THE SERVICE CAN REQUEST NEARLY $50 MILLION FOR ROAD CONSTRUCTION AND REPAIR IN FY 1983, IT COULD REQUEST SUFFICIENT FUNDING TO DEAL WITH THESE MOST IMPORTANT RESOURCE PROBLEMS. ADDITIONAL FUNDING WILL ALSO BE NECESSARY IN THE COMING YEARS TO CORRECT THE HUNDREDS OF OTHER PROBLEMS WHICH ARE SERIOUS BUT NOT OF THE HIGHEST PRIORITY.

IN ORDER TO GIVE THE PARK SERVICE MORE AUTHORITY TO DEAL WITH THE WIDE RANGE OF THREATS, I HAVE INTRODUCED H.R. 5976. INCLUDED AMONG THE PROVISIONS OF THIS PROPOSED LEGISLATION IS A REQUIREMENT THAT THE PARK SERVICE PREPARE A STATE OF THE PARKS REPORT EVERY TWO YEARS. I WOULD ASK THAT THE SUBCOMMITTEE CONSIDER PROVIDING $200,000 TO PREPARE SUCH A REPORT IN FISCAL YEAR

1983 AND NOTE IN THE REPORT LANGUAGE THAT THE REPORT IS DUE BY DECEMBER 31, 1983.

AS IS TRUE OF MANY MEMBERS OF CONGRESS, I HAVE THE VERY HIGHEST REGARD FOR THE EMPLOYEES OF THE NATIONAL PARK SERVICE. THEY COMPRISE ONE OF THE MOST DEDICATED GROUPS OF FEDERAL EMPLOYEES. MY CONCERN IS THAT THERE ARE TOO FEW OF THEM -- THAT THE SERVICE IS UNDERSTAFFED. IN THE LATE 1970S AS THE SYSTEM GREW, THE STAFFING DID NOT KEEP PACE AND, AS A RESULT THERE ARE INADEQUATE NUMBERS OF STAFF TO MAINTAIN THE SYSTEM ADEQUATELY AND TO SERVE THE VISITORS SUFFICIENTLY.

THIS IS A TIME, OF COURSE, WHEN IT IS VERY DIFFICULT TO INCREASE THE NUMBER OF FEDERAL EMPLOYEES IN ANY AGENCY. I WOULD ASK THE SUBCOMMITTEE TO EXAMINE THE STAFFING PROBLEMS AND PROVIDE FOR ADDITIONAL STAFF IF AT ALL POSSIBLE. HIGHEST PRIORITY WOULD BE FOR STAFF IN THE FIELD TO DEAL WITH BOTH NATURAL AND CULTURAL RESOURCE PROBLEMS AND TO PROVIDE MORE SERVICES FOR VISITORS.

THE PERSONNEL SHORTAGES FACING THE PARK SERVICE HAVE BEEN EXACERBATED TO A DEGREE BY THE DEMISE OF THE YOUTH CONSERVATION CORPS AND THE YOUNG ADULT CONSERVATION CORPS. BOTH THE HOUSE INTERIOR AND THE INSULAR AFFAIRS, AND EDUCATION AND LABOR COMMITTEES have recently reported out H.R. 4861 which would establish the American Conservation Corps (ACC). The ACC could provide much needed jobs for youth while providing much needed employees for the Park Service and other federal and state agencies. This legislation will not be considered by the Senate until after this Subcommittee has acted on the FY 1983 Interior Appropriations bill. I would ask that the Subcommittee consider appropriating in the neighborhood of $50 million to be used to hire Youth Conservation employees in FY 1983. These funds could be used directly by the agencies or as part of the ACC if it is enacted in this Congress, as I hope it will be.

Another important Park Service responsibility is planning. The Park Service is required to prepare various plans and studies, including general management plans, for the areas under its jurisdiction. It is also responsible for preparing other studies, such as river and trail studies, for areas that may warrant local, state, or federal protection. Funds spent on planning can be very important and effective since the planning can provide the information to Congress on how best to manage and

DEVELOP PARKS. THE REDUCTIONS PROPOSED FOR THE FY 1983 BUDGET ARE NOT IN THE BEST LONG-TERM INTERESTS OF THE PARK SYSTEM, AND I WOULD RECOMMEND THAT THE FY 1982 LEVELS BE RETAINED.

AGAIN, MR. CHAIRMAN AND MEMBERS OF THIS SUBCOMMITTEE, THANK YOU FOR ALLOWING ME TO ADDRESS YOU TODAY. AS A MEMBER OF THE INTERIOR AND INSULAR AFFAIRS COMMITTEE, I AM MOST INTERESTED IN FUNDING OF THE NATIONAL PARK SERVICE AND THE INTERIOR DEPARTMENT. IF I CAN BE OF ASSISTANCE TO YOUR SUBCOMMITTEE FURTHER IN ANY WAY, PLEASE DO NOT HESITATE TO CALL UPON ME.

Mr. **Bereuter**. Thank you for this opportunity to appear before the subcommittee today to discuss several aspects of the National Park Service funding of interest to me.

Unlike most or nearly all of your witnesses I am not here to testify on behalf of a specific park development or acquisition, but rather National Park Service operations in general. I have been distressed by the fact that there seems to be so little contact between the Authorizing Committee and Appropriations Subcommittee. I think we on the Authorizing Committee have some of the responsibility for that blame if there is blame.

So, I would like to appear today as a person who has only one national monument in his district, and less than a half-dozen National Park Service employees, and is not looking for any additions.

In May 1980, the National Park Service issued the first State of the Parks report. That report concluded that the threats facing the system were real and serious. The results of this study indicate that no parks of the system are immune to external and internal threats and that these threats are causing significant and demonstrable damage. There is no question but that these threats will continue to degrade and destroy irreplacable park resources until such time as mitigation measures are implemented.

In many cases this degradation or loss of resources is irreversable. It represents a sacrifice by a public that for the most part is unaware that such a price is being paid.

I think that the Appropriations Committee and the Authorizing Committees of the two Houses are sitting here trying to answer requests for acquisitions and further development at the time when the most important features, natural features that our park system was designed to protect and enhance, are deteriorating.

That deterioration sometimes is dramatic. In other cases it is a gradual kind of activity that is hard to see unless you look at it in 10-year spans. This State of the Parks report, incidentally, was primarily the result of the efforts of our former colleague, Mr. Sebelius from Kansas. Since the publication of that report the Park Service has begun to rank the problems. To date, 38 natural and 63 cultural servicewide significant resource problems have been identified. These are the most pressing problems according to the National Park Service.

There are of course many hundreds of other problems which require attention. All of the most important problems must be dealt with as soon as possible. The National Park Service, in my judgment, has not asked for sufficient funds in fiscal year 1983 to do this especially for the 38 natural significant resource problems.

The Service is planning to request a total of approximately $8 million for fiscal year 1985 to deal with these highest priority natural resource problems. I believe that the magnitude and seriousness of these problems require that they be dealt with much more quickly. Certainly if the Service can request nearly $50 million for road construction and repair in fiscal year 1983 it could request sufficient funding to deal with some of the most important resource problems.

Additional funding will also be necessary in the coming years to correct the hundreds of other problems which are serious but not of highest priority. In order to give the National Park Service more authority to deal with the wide range of threats, internal as well as external, I have introduced H.R. 5976. Included among the provisions of this proposed legislation is a requirement that the National Park Service prepare a State of the Parks report every 2 years. I would ask that the subcommittee consider providing $200,000 to prepare such a report for fiscal year 1983 and note in the report language that the report is due December 31, of 1983.

As is true of most Members of Congress, I have very high regard for the employees of the National Park Service. I believe they comprise one of the most dedicated groups of Federal employees. My concern is that there are too few of them, that the Service is understaffed, and that increasingly, the employees are involved in providing additional visitor services or doing things which are extraneous to the original and most important purpose of the National Park Service, which is protection of the natural and cultural features.

In the late 1970's as the system grew, and I might say it probably grew too rapidly, the staffing did not keep pace. As a result there are inadequate numbers of staff to maintain the system adequately, especially some of the key features and the landmark parks, and to serve the visitors sufficiently.

I would say if it comes down to it, we ought to protect those natural features and ensure that people assigned to natural resource management are really doing that and not simply doing it in title only. If necessary, we may have to cut back on some visitor services to protect what the system was designed to protect in the first place. I know, Mr. Chairman, that this is a very difficult time in which to increase the number of Federal employees in any agency. I would ask the subcommittee, however to examine the staffing problems and provide for additional staff if at all possible. The highest priority would be for staff in the field to deal with both natural and cultural resource problems.

Secondarily, I would ask for the Service to provide services for more visitors. The personnel shortage faced by the Park Service have been exacerbated to a degree by the demise of the Youth Conservation Corps and the Young Adult Conservation Corps. These people provide a great deal of maintenance assistance to our National Park System and in our National Forest System.

Both the House Committee on Interior and Insular Affairs and the Education and Labor Committees have recently reported out H.R. 4861 which would establish an American Conservation Corps. The ACC would provide much needed jobs for youth while providing much needed employees for the Park Service and other Federal and State agencies.

This legislation will not be considered by the Senate until after this subcommittee has acted on its fiscal year 1983 Interior Appropriations bill. I would ask therefore, that the subcommittee consider an appropriation in the neighborhood of $50 million to be used to hire youth conservation employees in fiscal year 1983. These funds could be used directly by the agencies or as a part of the ACC if in fact it is enacted by the Congress as I hope it will be.

Another important Park Service responsibility is planning. The Park Service is required to prepare various plans and studies including general management plans for the areas under its jurisdiction as you all know. It is also responsible for preparing other studies such as rivers and trails. I believe funds spent on planning can be very important and effective since the planning can provide the information to Congress on how to manage and develop those parks or at least to exercise oversight.

Reductions proposed in the fiscal year 1983 budget are not in the best long-term interest of the Park Service. I would recommend that the fiscal year 1982 levels be retained in this specific area.

Again, Mr. Chairman, and members of the subcommittee who I hope will see this testimony, I thank you for allowing me to address you today as a member of the Authorizing Committee. I am very interested in the funding and staffing of the National Park Service.

If I can be of any service to the subcommittee now or at a later time, I would be very pleased to do so. Thank you.

Mr. **Loeffler**. I thank the gentleman from Nebraska and commend him for coming to the subcommittee to share his ideas. We look forward from this subcommittee's standpoint to working with you in the future. I think you have broken wonderful ground.

Mr. **Bereuter**. Thank you.

Mr. **Loeffler**. The committee now stands in recess until 1:30.

AFTERNOON SESSION

NATIVE HAWAIIANS STUDY COMMISSION AND FISH AND WILDLIFE SERVICE

Predator Control Research

Thursday, May 13, 1982.

WITNESSES

HON. DANIEL K. AKAKA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF HAWAII

DON J. HEINZ, VICE PRESIDENT-DIRECTOR, EXPERIMENT STATION OF THE HAWAIIAN SUGAR PLANTERS' ASSOCIATION (HSPA)

Mr. **McDade**. The committee will come to order.

I am very, very pleased to welcome our distinguished colleague from Hawaii, Mr. Akaka.

We are delighted to have you here and you may proceed.

Mr. **Akaka**. Thank you very much, Mr. Chairman.

I am delighted to be here to talk about some of our concerns with which this committee deals.

I, of course, appreciate the opportunity to testify before your Subcommittee on Interior and I am here to ask your support in a number of budget items of special concern to the State of Hawaii.

First is the water supply for Kalaupapa. Kalaupapa is on Molokai and designated as a National Park by Act of Congress during the 96th Congress.

Since that time, this subcommittee has supported funding for the rehabilitation of structures within the national park.

Kalaupapa has a history of water supply problems, but recently the situation has deteriorated. There was a landslide and it wiped out the water line that comes into Kalaupapa. It is a critical situation. They are getting by with some water but a new system needs to be put in place there.

The National Park Service has ranked the reconstruction of the water supply system very high on the list of priorities for the National Historic Park at Kalaupapa.

Solving this problem would require locating a well-water supply near Kalaupapa along with water storage tanks to store water pumped from these wells. The cost, an estimated $466,000 during fiscal year 1983, is modest, given the long-term relief it would provide.

Another is the Native Hawaiians Study Commission. The fiscal year 1983 budget contains a request of $200,000 for the Native Hawaiians Study Commission.

A supplemental request for fiscal year 1982 of $175,000 is also pending before this subcommittee.

As the sponsor of the legislation that resulted in the establishment of the Native Hawaiians Study Commission, I urge your support for the full amount requested by the Administration in fiscal year 1982 and 1983.

Although the establishment of the Commission was much delayed by difficulties with the appointment of Commissioners, the Commission is now working hard at the important task assigned to its members.

Those of us who understand the concerns of Native Hawaiians anxiously await the submission of the report to Congress by the Commission upon the completion of their work.

Another is the Hawaiian water birds—Kealia Pond.

I would like to express my support for funding for the establishment of the critical habitat and sanctuary for Hawaiian water birds at the Kealia Pond on Maui.

This project has been identified as a priority by the Fish and Wildlife Service and has the support of our Governor and the State Department of Land and Natural Resources.

Another is the Cooperative Fishery Unit at the University of Hawaii.

I also ask your support for the restoration of State research units under the Cooperative Unit Act. This funding has been eliminated from the fiscal year 1983 budget by the Department of the Interior.

Without question, the Cooperative Fishery Unit at the University of Hawaii has provided a unique and valuable service that would not be rendered without the cooperative efforts of the Fish and Wildlife Service.

Another one that I seek is Hilo Animal Damage Research Station.

Rodent infestation represents a genuine health hazard to the people of our State. It poses an equally serious threat to the State's agriculture production.

I realize that those not familiar with the problem of rodent infestation in Hawaii may find it difficult to imagine the gravity of the situation in our State.

Unfortunately, the Department of the Interior has requested that this subcommittee eliminate funding for the Hilo Animal Damage Research Station that has been so helpful in our efforts to get the rat infestation problem under control in Hawaii.

Mr. Chairman, the Administration's request is one I hope you will reject.

Rodent damage constitutes a serious problem for sugarcane and macadamia nut farmers in Hawaii. Hawaii is the only producer of domestically grown macadamia nuts.

Damage to sugarcane by rodents is estimated by the Fish and Wildlife Service to amount to $20 million per year.

This is a significant loss to the economy of our State, where production of sugar is the third largest producer of income and the largest crop in our agricultural economy.

Mr. Chairman, in light of the overwhelming importance of the Hilo Station to the State of Hawaii, I would appreciate your support for restoring last year's funding for the facility in the amount of $175,000 during your consideration of the fiscal year 1983 budget.

To give you some insight into the efforts that sugar growers have committed to this problem I asked Mr. Don Heinz of the State Sugar Planters' Association to join me. He will give you further insight into the need for the Hilo Station and the resources committed by growers to this problem.

[The statement of Mr. Akaka follows:]

THE HONORABLE DANIEL K. AKAKA
TESTIMONY BEFORE THE APPROPRIATIONS COMMITTEE, SUBCOMMITTEE ON INTERIOR

May 13, 1982

Mr. Chairman, I appreciate the opportunity to testify today before the Appropriations Subcommittee on Interior. I ask for your support on a number of budget items of special concern to the State of Hawaii.

WATER SUPPLY FOR KALAUPAPA

The Kalaupapa Settlement on Molokai was designated as a National Park by Act of Congress during the 96th Congress. Since that time, this Subcommittee has supported funding for the rehabilitation of structures within the National Park. I think we all agree that Kalaupapa is a welcome addition to our National Park System.

Kalaupapa has a history of water supply problems, but recently the situation has deteriorated. The source of water for Kalaupapa lies in the Waikolu Valley four miles away from the settlement. Pipes feeding that water from the source to the settlement run along the coast and are exposed to the elements in many locations. Each year during the rainy season, the water main lying along the coast is bombarded by rocks and debris loosened from the cliffs by rain storms. When the water main is damaged, the supply to the settlement is cut off until repairs can be made. During these periods, residents and visitors are forced to rely upon open streams that do not meet approved standards for water quality under the Safe Drinking Water Act.

It is my understanding that the National Park Service has been examining alternatives for solving problems with Kalaupapa's water supply. One proposal which would resolve this problem would be to drill wells close to the cliffs near Kalaupapa Park. If the wells were to produce safe drinking water, the problems associated with the current water system would be eliminated. Establishing a well-water source would eliminate regular costly repairs that become necessary each year during the rainy season.

Mr. Chairman, the National Park Service has ranked the reconstruction of the water supply system very high on the list of priorities for the National Historic Park at Kalaupapa. Solving this problem would require locating a well-water supply near Kalaupapa along with water storage tanks to store water pumped from these wells. The cost, an estimated $466,000 during FY 1983, is modest, given the long-term relief it would provide. Furthermore, this project would provide Kalaupapa with a source of safe, clean water to serve the residents and visitors to the newly established park.

NATIVE HAWAIIAN STUDY COMMISSION

The fiscal year 1983 budget contains a request of $200,000 for the Native Hawaiian Study Commission. A supplemental request for FY 1982 of $175,000 is also pending before this Subcommittee. As the sponsor of the legislation that resulted in the establishment of the Native Hawaiian Study Commission, I urge your support for the full amount requested by the Administration in FY 1982 and 1983.

Although the establishment of the Commission was much delayed by difficulties with the appointment of Commissioners, the Commission is now working hard at the important task assigned to its members. Those of us who understand the concerns of Native Hawaiians anxiously await the submission of the report to Congress by the Commission upon the completion of their work.

HAWAIIAN WATER BIRDS - KEALIA POND

Another important item that I would like to express my support for today concerns funding for the establishment of the critical habitat and sanctuary for Hawaiian water birds at the Kealia Pond on Maui. This project has been identified as a priority by the Fish and Wildlife Service and has the support of our Governor and the State Department of Land and Natural Resources.

The proposed acquisition includes 486 acres of shallow pond and marsh habitat for the endangered Hawaiian coot and Hawaiian stilt. The Fish and Wildlife Service has identified this area as nationally significant. Nearly 25 percent of the world's stilt population and over 50 percent of the world's coot population can be observed at Kealia Pond at one time. The loss of this area to development would be simply tragic. I will be in contact with the Subcommittee with further details on this project in the near future.

COOPERATIVE FISHERY UNIT - UNIVERSITY OF HAWAII

Mr. Chairman, I also ask your support for the restoration of state research units under the Cooperative Unit Act. This funding has been eliminated from the FY 1983 budget by the Department of Interior.

Without question, the Cooperative Fishery Unit at the University of Hawaii has provided a unique and valuable service that would not be rendered without the cooperative efforts of the Fish and Wildlife Service. The program has brought federal and state fish and wildlife management agencies together with academic institutions to focus research on the actual needs of wildlife agencies. Just as important have been the efforts of Cooperative Research in training wildlife managers of the future. Should federal funds for this cooperative program be eliminated, many of the research units in Hawaii and elsewhere in the U.S. would simply be disbanded. Given the fact that two dollars of in-state money is spent on this program for every dollar of federal money, the elimination of federal involvement would have far greater impact than most people realize.

HILO ANIMAL DAMAGE RESEARCH STATION

I also seek your support for another matter of considerable importance to the entire State of Hawaii. Rodent infestation represents a genuine health hazard to the people of our state. It poses an equally serious threat to the state's agriculture production. I realize that those not familiar with the problem of rodent infestation in Hawaii may find it difficult to imagine the gravity of the situation in our state.

Unfortunately, the Department of Interior has requested that this Subcommittee eliminate funding for the Hilo Animal Damage Reserach Station that has been so helpful in our efforts to get the rat infestation problem under control in Hawaii. Mr. Chairman, the Administration's request I hope you will reject.

The loss of the Hilo Animal Damage Research Station would be a severe setback to Hawaii in our battle against rodent infestation. The Fish and Wildlife Service personnel at the Hilo station have rendered invaluable service in research and technical assistance on methods of controlling rats and mice which damage crops in the field. Considerable work remains to be done, however. The problems of controlling rat populations, developing integrated pest management programs and developing control methods without the use of poisons have yet to be answered. Closing the Hilo Animal Damage Research Station would end this work far short of its important goal.

Rodent damage constitutes a serious problem for sugarcane and macadamia nut farmers in Hawaii. Hawaii is the only producer of domestically-grown macadamia nuts. The Fish and Wildlife Service estimates that yield losses amount to 5 percent per year and that losses on individual farms amount to 20 percent of mature nuts. It is impossible to calculate losses of immature nuts, and therefore the true extent of rodent damage is unknown but is probably higher. The macadamia nut industry has been experiencing a period of modest growth in recent years, but its well-being is threatened by rodent damage.

Damage to sugarcane by rodents is estimated by the Fish and Wildlife Service to amount to $20 million per year.

This is a significant loss to the economy of our state, where production of sugar is the third largest producer of income and the largest crop in our agricultural economy.

Mr. Chairman, in light of the overwhelming importance of the Hilo station to the State of Hawaii, I would appreciate your support for restoring last year's funding for the facility in the amount of $175,000 during your consideration of the FY 1983 budget.

The Hilo Animal Damage Research Station is one of the finest examples of a cooperative effort between the federal government and agriculture in our state. Both share the cost of resolving the problem of rodent control. To give you some insight into the efforts and monies that sugar growers in Hawaii have committed to this problem, I asked Mr. Don Heinz, Director of the Hawaiian Sugar Planter's Association Experiment Station to join me today. He will give you further insight into the continued need for the Hilo station and the considerable resources devoted by growers in Hawaii to this problem.

Mr. McDADE. We are delighted to have your guest here.

We thank you for a most comprehensive statement. Your statement will be a part of the record. If you would like to sum it up for us, unfortunately, both Danny and I are under the gun of a quorum call plus a vote but we will make your statement a part of the record. If you could hit the highlights for us and sum it up, we would be grateful.

Mr. HEINZ. Okay, I would.

I appreciate the opportunity of appearing here. We would like to have funding for at least another 3 years, for this program.

We lose approximately $13 million to $17 million to rats in the sugarcane crop itself. We have had the program by USDI for almost 13 years, since 1966. They have done a lot of work. There has been a lot of progress made.

One accomplishment has been the development of rodenticides that are effective on two of the species of rats that are in Hawaii. There are three species, one which is not under control, the Norway rat. We need further work in that area.

We recognize also that according to estimates supplied by USDI that the nonpredatory animals cause approximately $252 million worth of damage in the United States versus an estimated $150 million due to predatory animal damage.

Research however is distributed 66 percent to the predatory control and 35 percent to nonpredatory control.

Now, what we would like to suggest that the lab continue work, if we could, on four areas.

The reasons for this, we supply in effort from the Hawaiian industry itself $80,000 a year in labor and materials and $50,000 from research laboratory work and a cash outlay of $30,000 directly to USDI. And we would expect to continue that.

What we would like to do, then, is to continue research in these areas to look at rodenticides for the area.

Mr. McDADE. Thank you.

I don't mean to curtail your statement. We have the highlights which you have summarized in excellent fashion.

Danny, you and I have about 4 minutes to make it to the floor.

It is a pleasure to have you here. The committee will recess for a few minutes.

[Brief recess.]

[The statement of Mr. Heinz and a letter dated April 30, 1982, from Mr. Akaka to Mr. Yates follow:]

TESTIMONY OF DR. DON J. HEINZ
before the
HOUSE APPROPRIATIONS SUBCOMMITTEE ON THE INTERIOR
May 13, 1982

Thank you, Mr. Chairman and members of the House Appropriations Subcommittee on the Interior.

My name is Don J. Heinz, and I am Vice President-Director of the Experiment Station of the Hawaiian Sugar Planters' Association (HSPA), representing all of the sugarcane growers and processors in Hawaii.

It is our understanding that no funding for 1983 has been allocated to the Fish and Wildlife Service Animal Damage Research Station in Hilo, Hawaii. This is the only facility in Hawaii or the American Pacific Basin dealing with the problems of agricultural crop damage, the consequent financial loss caused by rodents and with the effects of programs for their control. We strongly urge that an adequate budget be provided to complete the research currently underway.

Our estimate for the cost of this program amounts to $120,000 at the Hilo level for the 1983 fiscal year with equal amounts, adjusted for inflation, for at least two years beyond 1983. This minimum figure will not provide for the replacement of the wildlife biologist who is leaving for other employment, but it would permit reasonable completion of the research by the remaining biologist, two technicians, and an administrative assistant/secretary.

In aid of the USDI program, HSPA has provided cash assistance of

$13,000 in 1980, $24,000 in 1981, and $20,000 in 1982, plus $50,000 per year in analytical services and an estimated $83,000 annually in labor and field program assistance. We would expect to continue to provide some assistance. The funding level that is requested from the Department of the Interior is approximately the same as that provided to the Hilo Station for FY 1981 and 1982, which was not adequate to cover salaries for the two biologists and two technicians in 1981 and 1982 and included no operating funds.

According to estimates supplied at our request by the U.S. Department of the Interior, $252 million in food and fiber is lost annually in the U.S. from damage by non-predatory mammals compared with $130 million loss caused by predators (mainly coyotes). Sixty-six percent of the total food and fiber loss to mammals is ascribed to non-predatory animals, yet, only 40 percent of the allotted resources for animal damage control have been assigned to the non-predators while 60 percent goes to predators. The funds for animal control are biased in favor of predators. This does not include damage caused by birds or resources allocated for bird control.

Three species of rats attack growing sugarcane in Hawaii, causing an estimated $13 to $17 million annual loss of sugar revenue. Prior to the establishment of USDI Hilo, control programs developed by the Hawaiian industry relied on treatment of field perimeters with rodenticide baits. These were inadequate, and there were no rodenticides registered for use in the crop fields. The USDI Animal Damage Research Station, established at Hilo in 1966, and in cooperation with the HSPA Experiment Station, and with sugarcane, macadamia nut, and other growers, provided 1) interim relief by way of a rodenticide bait (zinc phosphide) registered for in-field use, and 2) more permanent long-range research aimed to reduce dependence on chemical rodenticides.

The zinc phosphide bait registration (1970) materially reduced sugarcane damage by the Polynesian and black rats, but it has failed to adequately control the Norway rat, a major damaging species in sugarcane. Further research on this problem is necessary, particularly for the island of Kauai where the Norway rat is a major species.

The research phase has made progress in a number of areas. These include: 1) providing a means to evaluate economic damage and loss, 2) identifying cultural and environmental conditions responsible for damage, 3) evaluating and trying to determine the causes for crop varietal differences in resistance to damage, 4) determining rat species specificity toward rodenticide baits and baiting techniques, and 5) evaluating primary and secondary hazards of rodenticides to wildlife and to man, especially the anticoagulants that have been used in non-agricultural areas.

These research programs and others are just beginning to bear fruit. They need several more years for implementation and evaluation and the Hawaiian sugar industry, which lost $83.5 million in 1981 and which expects to lose some $40 million this year cannot take on that added burden.

The Hilo USDI Station also works on preventing losses by rats to macadamia nut crops; losses are estimated at 5 percent of the crop or about $3 million annually. The USDI Station has provided valuable service to private and State agencies in evaluating wildlife and health effects from pesticide programs. Specifically in the public health area the USDI Station has assisted the State of Hawaii Health Department in containing periodic outbreaks of field mice that overrun rural and urban areas, and which transmit (along with rats) leptospirosis and other diseases. The USDI Station has recently been asked by the Communicable Disease Center in Atlanta to survey the incidence in rodents of Korean Hemorrhagic Fever.

We are requesting appropriation of funds to assure continuation of the work being done by the U.S. Department of the Interior Station in Hilo. A period of three years is required to complete work in progress and to permit the orderly phase-out of the program. Our reasons for strongly urging approval of this request are:

1. Cooperative funding has been and is being provided by HSPA, macadamia nut producers, and State agencies.
2. The research has not been completed, especially for control of the Norway rat. Evaluation of non-chemical, cultural and environmental controls requires additional work.
3. The impending loss of professional expertise and knowledge gained in the pursuit of the uncompleted projects would seriously erode the benefits anticipated from funds already spent and prevent completion of their important work.

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1. Cooperative funding has been and is being provided by HSPA, macadamia nut producers, and State agencies.
2. The research has not been completed, especially for control of the Norway rat. Evaluation of non-chemical, cultural and environmental controls requires additional work.
3. The impending loss of professional expertise and knowledge gained in the pursuit of the uncompleted projects would seriously erode the benefits anticipated from funds already spent and prevent completion of their important work.

Thank you for this opportunity to present testimony on this matter. I would be pleased to answer any questions on this subject.

DANIEL K. AKAKA
SECOND DISTRICT, HAWAII

COMMITTEE:
APPROPRIATIONS
SUBCOMMITTEES:
AGRICULTURE,
RURAL DEVELOPMENT,
AND RELATED AGENCIES
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April 30, 1982

Honorable Sidney Yates
Chairman
Subcommitte on Interior
B-308 Rayburn HOB
Washington, D. C. 20515

Dear Sid:

I am gravely concerned about the proposal by the Department of the Interior to close the Hilo Animal Damage Research Station at the end of the current fiscal year. The loss of this facility would be a severe setback to Hawaii in our battle against rodent infestation.

For many not familiar with our problem, it may be hard to imagine the difficulties we experience with rodents and rodent damage. Rodent infestation represents a genuine health hazard and a serious threat to the state's agricultural production. The Department of Interior personnel at the Hilo Station have rendered invaluable service in research and technical assistance on methods of controlling rats and mice that threaten our people and damage crops in the field. Considerable work remains to be done, however, for the problems of controlling reservoirs of rat populations, developing integrated pest management programs, and developing control methods without the use of poisons have yet to be answered. Closing of the Hilo Animal Damage Research Station would end this work far short of its important goal.

Rodent damage constitutes a serious problem for sugar cane and macadamia nut farmers in Hawaii. Hawaii is the only producer of domestically grown macadamia nuts. The Fish and Wildlife Service estimates that yield losses amount to 5 percent per year and that losses on individual farms amount to 20 percent of mature nuts. It is impossible to calculate losses of immature nuts, and therefore the true extent of rodent damage is unknown but is probably higher. The macadamia nut industry has been experiencing a period of modest growth in recent years, but its well-being is threatened by rodent damage.

Damage to sugar cane by rodents is estimated by the Fish and Wildlife Service to amount to $20 million per year.

This is a significant loss to the economy of our state, where production of sugar is the third largest producer of income and the largest crop in our agricultural economy.

The Hilo Animal Damage Research Station is one of the finest examples of a cooperative effort between the federal government and agriculture in our state. Continued operation of the research station would not have been possible without assistance from local agriculture. Agriculture in Hawaii recognizes the responsibility that they share with the Fish and Wildlife Service in the area of rodent control. The sugar industry in our state has supported the operation of the Hilo Station in the amount of $13,000 in 1980, $24,000 in 1981 and $20,000 in 1982, in addition to $50,000 per year in laboratory services and $80,000 per year in field assistance, travel funds and other expenses.

In light of the significant need for continued operation of this cooperative effort, I recommend that you fund the Hilo Wildlife Damage Research Station at last year's level.

Aloha pumehana,

Danny

DANIEL K. AKAKA
Member of Congress

THURSDAY, MAY 13, 1982.

SOUTHWESTERN INDIAN POLYTECHNIC INSTITUTE (SIPI)

BOSQUE DEL APACHE WILDLIFE REFUGE

SALINAS NATIONAL MONUMENT

WITNESS

HON. MANUEL LUJAN, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW MEXICO

Mr. McDADE. The committee will come to order and we will resume the hearing.

We are delighted to have with us now our colleague from the State of New Mexico, Congressman Manual Lujan. Welcome, Manny. We are happy to have you in front of the committee.

Mr. LUJAN. Thank you, Mr. Chairman.

Mr. Chairman, I have three items that I would like to address. I will summarize.

Mr. McDADE. We will, of course, make your statements a part of the record and you may proceed.

Mr. LUJAN. Thank you.

The first item that I would like to speak to the committee about is an item on the Bosque Del Apache National Wildlife Refuge in central New Mexico.

There have been substantial savings by this organization in their construction program. As a matter of fact, they estimate that they would save some $430,000 in their present operation.

Now, we have authorized, but no money is appropriated for a Visitors Center, which, coincidentally, Mr. Chairman, will cost about $430,000, the same amount that they have been able to save from other things, and we would ask that the committee reprogram that $430,000 to allow the building of the Visitors Center.

They have a whooping crane program there that is very popular and so the visitors have really increased and their facilities at the present time are not very good.

So I am asking for reprogramming of that $430,000.

The first request hasn't cost anything yet. That is the good news.

[The statement of Mr. Lujan follows:]

STATEMENT BY
THE HONORABLE MANUEL LUJAN, JR.
BEFORE THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS

MAY 13, 1982

MR. CHAIRMAN, I WOULD LIKE TO ADDRESS ONE IMPORTANT ITEM IN THIS YEAR'S APPROPRIATIONS BILL WHICH DOES NOT REQUIRE THE APPROPRIATION OF NEW MONEY, FOR THE BOSQUE DEL APACHE NATIONAL WILDLIFE REFUGE IN CENTRAL NEW MEXICO. I AM REQUESTING A RE-PROGRAMMING OF MONEYS APPROPRIATED IN THE FY81 APPROPRIATION ACT.

THE NUMBER OF VISITORS TO THE BOSQUE IN THE PAST SEVERAL YEARS HAS BEEN GROWING TREMENDOUSLY, PARTICULARLY SINCE THE REPEATED NATIONAL TV AND MAGAZINE PUBLICITY OVER THE WHOOPING CRANE PROJECT. THE BOSQUE HAS BEEN OPERATING WITH A SMALL MAKESHIFT VISITORS CENTER WHICH MERELY SERVES AS A LOCATION TO HANDOUT BROCHURES.

DESIGN AND PLANS FOR A NEW ADMINISTRATIVE OFFICE AND VISITORS CENTER HAS BEEN APPROVED FOR TWO YEARS. ENOUGH MONEY WAS APPROPRIATED LAST YEAR TO COVER THE COST OF $430,000 TO BUILD THE NEW ADMINISTRATION CENTER AND THE MUCH NEEDED VISITORS CENTER. WHAT IS REQUESTED IS REPROGRAMMING AUTHORITY TO TRANSFER APPROPRIATED FUNDS AT THE BOSQUE DEL APACHE NATIONAL WILDLIFE REFUGE TO CONSTRUCT A NEW OFFICE/VISITOR FACILITY. IT IS IMPORTANT TO UNDERSTAND THAT THE REFUGE CURRENTLY POSSESSES THE NECESSARY FUNDING TO CONSTRUCT THE TOTAL FACILITY AS DESIGNED. AT ISSUE IS GAINING HOUSE APPROVAL TO CONSTRUCT THE VISITOR FACILITIES PORTION.

THE WORK PLANNED UNDER THE FY 1981 APPROPRIATION FOR REHAB OF HEADQUARTERS FACILITIES AND UPGRADING OF IRRIGATION DITCHES CAN STILL BE ACCOMPLISHED IN ADDITION TO CONSTRUCTION OF THE PROPOSED ADMINISTRATIVE/VISITOR FACILITY. THESE CURRENT PROJECTS ARE NOW BEING ACCOMPLISHED BY USING SERVICE PERSONNEL, YACC LABOR, AND HEAVY EQUIPMENT PREVIOUSLY PURCHASED FOR VARIOUS REFUGE FIELD STATIONS IN THE REGION UNDER THE BICENTENNIAL LAND HERITAGE PROGRAM (BLHP). ORIGINAL PLANS CALLED FOR ALL OF THE FY 1981 CONSTRUCTION TO BE DONE BY OUTSIDE CONTRACT AND EQUIPMENT RENTAL. SUBSTANTIAL COST SAVINGS HAVE RESULTED THROUGH GREATER UTILIZATION OF YACC WORKERS MADE AVAILABLE DUE TO REDUCTION OF PLANNED BLHP PROJECTS REGIONWIDE. ALSO THE AVAILABILITY OF SERVICE-OWNED EQUIPMENT ALLOWED ADDITIONAL SAVINGS. THE COST SAVINGS IN THE AMOUNT OF $430,000 CAN BE UTILIZED FOR THE NEW OFFICE/VISITOR FACILITY.

TO TAKE ADVANTAGE OF THE EXTREMELY FAVORABLE BID SUBMITTED FOR CONSTRUCTION, REPROGRAMMING ACTION FOR THE VISITOR PORTION MUST BE UNDERTAKEN IMMEDIATELY.

IF THIS REPROGRAMMING IS DONE THIS YEAR, IT IS ESTIMATED THAT THE COST CAN BE DONE FOR $55.08 PER SQUARE FOOT, WHICH IS 17% BELOW THE ENGINEERING ESTIMATE FOR THE PROJECT.

THE NEW VISITORS CENTER, IF CONSTRUCTED, WILL HAVE ADEQUATE INFORMATION FOR TOURISTS ABOUT THE REFUGE, AND AN AUDITORIUM FOR PRESENTATIONS ABOUT THE REFUGE AND THE WORK BEING DONE THERE. THE BOSQUE AND ITS PROGRAM CAN BE CREDITED WITH SAVING THE WHOOPING CRANE WHICH WAS NEARLY EXTINCT JUST A FEW YEARS AGO.

TO: MLJ

FROM: Kurt

RE: Bosque del Apache

The number of visitors to the Bosque in the past several years has been growing tremendously, particularly since the repeated national TV and magazine publicity over the whooping crane project. The Bosque has been operating with a small makeshift visitors center which merely serves as a location to hand out brochures.

Design and plans for a new administrative office and visitors center has been approved for two years. Enough money was appropriated last year to cover the cost of $430,000 to build the new administration center and the much needed visitors center. What is requested is reprogramming authority to transfer appropriated funds at the Bosque del Apache National Wildlife Refuge to construct a new office/visitor facility. It is important to understand that the Refuge currently possesses the necessary funding to construct the total facility as designed. At issue is gaining House approval to construct the visitor facilities portion. To take advantage of the extremely favorable bid submitted for construction, reprogramming action for the visitor portion must be undertaken immediately.

If this reprogramming is done this year, it is estimated that the cost can be done for $55.08 per square foot, which is 17% below the engineering estimate for the project.

The new visitors center, if constructed, will have adequate information for tourists about the Refuge, and an auditorium for presentations about the Refuge and the work being done there. The Bosque and its program can be credited with saving the whooping crane which was nearly extinct just a few years ago.

Mr. LUJAN. The second item is the Salinas National Monument in New Mexico.

The State of New Mexico gave to the Federal Government two State monuments. They are Abo and Quari. These are prehistoric Indian ruins. When we accepted that under Public Law 96-550, the law called for acquisition of additional acreage and so I come before the committee today to make a request for $1.1 million for the addition of those lands.

The reason for that is that there are all kinds of prehistoric ruins in the area and so it is important that we acquire them in order to bring them into the National Monument System.

[The statement of Mr. Lujan follows:]

STATEMENT BY THE
HONORABLE MANUEL LUJAN, JR.
BEFORE THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
MAY 13, 1982

MR. CHAIRMAN, IN DECEMBER OF 1980, LEGISLATION WAS SIGNED CREATING THE SALINAS NATIONAL MONUMENT IN NEW MEXICO. THIS CONSISTED OF THE FORMER GRAN QUIVIRA NATIONAL MONUMENT AND TWO RELATED STATE MONUMENTS IN THE NEARBY VICINITY -- ABO AND QUARAI. THE MONUMENTS CONTAIN EARLY SPANISH MISSIONS AND PREHISTORIC INDIAN RUINS. THE SPANISH RUINS DATE BACK TO 1530 AND SOME OF THE INDIAN RELICS AS FAR BACK AS THE YEAR 800.

IN CREATING THE SALINAS MONUMENT, THE STATE OF NEW MEXICO DONATED 21.25 ACRES AT THE ABO SITE AND 15 ACRES AT THE QUARAI SITE. PUBLIC LAW 96-550 CALLED FOR THE ADJACENT 466 ACRES OF PRIVATE LAND, WHICH ALSO CONTAIN RUINS RELEVANT TO THE SITES TO BE PURCHASED AS PART OF THE NATIONAL MONUMENT. THIS LAND SURROUNDING THE SITES INCLUDE 243.11 ACRES AROUND THE ABO SITE AND IS OWNED BY 9 LANDOWNERS WHO TRACE THEIR HERITAGE BACK TO ORIGINAL SPANISH LAND GRANTS. ALSO 66.5 ACRES, OWNED BY TWO LANDOWNERS AT THE QUARAI SITE, THEIR HERITAGE IS THE SAME AS THE ABO AREA.

MR. CHAIRMAN, I AM ASKING THAT 1.1 MILLION DOLLARS BE APPROPRIATED IN THE FY83 BUDGET TO BEGIN THE PURCHASE OF THESE 309.63 ACRES AS AUTHORIZED IN PL 96-550. THESE MONEYS WILL COME FROM THE LAND AND WATER CONSERVATION FUND.

THE TWO FORMER STATE MONUMENTS OF ABO AND QUARAI WERE TRANSFERRED TO THE NATIONAL PARK SERVICE LAST OCTOBER. AT THAT TIME THE NPS PICKED UP TWO FULL-TIME STATE EMPLOYEES AND ONE PART-TIME EMPLOYEE

AS WAS SUGGESTED BY PL 96-550.

MR. CHAIRMAN, THE ARCHEOLOGICAL REMAINS ON THE LAND CURRENTLY OWNED BY PRIVATE LANDOWNERS ARE IMPORTANT TO THE OVERALL SALINAS MONUMENT. THEY ARE WORKING ARCHEOLOGICAL STUDIES TO SEVERAL PREHISTORIC CIVILIZATIONS AND TO THE ORIGINAL SPANISH EXPLORATION AND SETTLEMENT OF THE SOUTHWEST. THE PURCHASE AND PRESERVATION OF THIS LAND IS ESSENTIAL TO THESE STUDIES AND FOR THEIR DISPLAY TO THE AMERICAN PUBLIC.

data base of the San Juan Basin, and make such information available to Federal and private groups when to do so will assist such groups in the preservation, management, and development of the resources of the basin.

(c) The head of any Federal agency having direct or indirect jurisdiction over a proposed Federal or federally assisted undertaking with respect to the lands and waters in the archeological protection sites, and the head of any Federal agency having authority to license or permit any undertaking with respect to such lands and waters, shall prior to the approval of the expenditure of any Federal funds on such undertaking, or prior to the issuance of any license or permit, as the case may be, afford the Secretary a reasonable opportunity to comment in writing with regard to such undertaking and its effect upon such sites, and shall give due consideration to any comments made by the Secretary and to the effect of such undertaking on the purposes for which such sites are established.

Appropriation authorization.
16 USC 410ii-7.

SEC. 508. Effective October 1, 1981, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this title but not to exceed $11,000,000 for acquisition and $500,000 for development.

TITLE VI—SALINAS NATIONAL MONUMENT

Designation.
16 USC 43 note.

SEC. 601. (a) In order to set apart and preserve for the benefit and enjoyment of the American people the ruins of prehistoric Indian pueblos and associated seventeenth century Franciscan Spanish mission ruins, the Secretary is authorized to acquire by donation, or by purchase with donated or appropriated funds, or otherwise, not to exceed four hundred and sixty six acres of land in the State of New Mexico which, in addition to the lands now comprising Gran Quivira National Monument, shall be designated as the Salinas National Monument. The Secretary is further authorized to acquire, in or near the town of Mountainair, such additional lands as may be necessary for an administrative site for the monument.

Additional lands, acquisition.

Abolishment.
16 USC 431 note.

(b) Gran Quivira National Monument is hereby abolished as such, and any funds available for purposes of the monument shall be available for purposes of the Salinas National Monument.

Administration.

(c) The Secretary shall administer and protect the monument in accordance with the provisions of this section and the provisions of law generally applicable to the administration of units of the national park system, including the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), and the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461-467). The Secretary is encouraged to transfer to the employment of the National Park Service such personnel associated with the administration of the State-owned lands as are interested in and qualified for such transfer, as such State lands are acquired by the Secretary.

Personnel transfer.

Mr. LUJAN. The third item is something that you are familiar with and that is the Southwestern Indian Polytechnic Institute.

As you know, there has been a determination by the Department of the Interior to close that school. I believe it is an error to close it. It is a very good school and I could go into all those reasons now but I know you are familiar with them.

What we are asking is that the operation of this school be funded for 1 year, at least in this budget cycle because we have a number of things working.

We have indications that there will be some private sector financing. There are possibilities that we may be able to work out something with the University of New Mexico.

The facilities, as you may know, are not fully utilized at this point.

We also have in Albuquerque a Technical Vocational Institute that is an excellent school and somehow or another we would like to be able to have both TVI and the Southwestern Indian Polytechnic Institute working together.

We have a lot of things working that would possibly reduce Federal funding but we just haven't had the time to put it all together, so we would ask the committee to fund SIPI for at least one additional year to give us an opportunity to work on these options.

[The statement of Mr. Lujan follows:]

STATEMENT OF HONORABLE MANUEL LUJAN, JR.
BEFORE THE SUBCOMMITTEE ON INTERIOR & RELATED AFFAIRS
COMMITTEE ON APPROPRIATIONS

Mr. Chairman, I am here to speak in support of appropriations funding for the Southwestern Indian Polytechnic Institute. As you know, Mr. Chairman, recent actions have been taken which would force SIPI to close its doors very soon. And, as you have stated yourself, some of these actions have not been in accordance with the accepted procedures required by the Congress and this Committee.

Today, I am asking you and the members of this Subcommittee to do that which is in your power - appropriate this relatively small amount to keep SIPI open and operating smoothly. The reasons for this request are many but I will try to be brief.

SIPI is the only institution of its kind in the nation. It is a federally funded post-secondary, technical-vocational school for native Americans. It trains them for specific types of practical, career employment in high-growth industries--Electronics, accounting, secretarial. Mr. Chairman, SIPI provides employment training to a group of people which traditionally have some of the worst and most painful unemployment figures in the nation.

A couple of months ago, I was in Albuquerque attending a meeting held at the request of various industry representatives to discuss their opinion of SIPI, its graduates, and the funding problems it faces. Mr. Chairman, we were told again and again that SIPI graduates advance quickly and successfully within the companies. They are well trained and competitive. And oneof the most important things is that they -- SIPI graduates -- comprise a large enough

GROUP THAT COMPANIES ARE WILLING TO SEND REPRESENTATIVES TO THE SCHOOL TO ACTIVELY RECRUIT. WERE THESE STUDENTS SPREAD OUT OVER VARIOUS RESERVATION SCHOOLS, THEIR CHANCES OF BEING RECRUITED TO ONE OF THESE BETTER JOBS WOULD BE VERY LOW.

MR. CHAIRMAN, I BELIEVE SIPI FILLS A LARGE GAP IN OPPORTUNITIES FOR INDIAN VOCATIONAL EDUCATION AND EMPLOYMENT. IN ADDITION, I APPRECIATE THE LETTER SIGNED BY YOU AND SENATOR MCCLURE WHICH REQUESTED THAT BIA STOP PROCEDURES WHICH WOULD CLOSE SIPI. UNFORTUNATELY, MR. CHAIRMAN, THE LETTER FROM YOU AND THE HONORABLE SENATE SENATE SUBCOMMITTEE CHAIRMAN AND EVEN MY OWN ACTIONS HAVE APPARENTLY BEEN LARGELY IGNORED BY THE BIA. THEY HAVE CONTINUED TO THREATEN THE CLOSING OF THE SCHOOL AND - AGAINST OUR REPEATED REQUESTES - HAVE CARRIED OUT ON SOME OF OF THE PRELIMINARY CLOSURE ACTIONS.

AS YOU MAY BE AWARE, MEMBERS OF THE BUSINESS COMMUNITY AND AREA UNIVERSITIES AND SCHOOLS HAVE HURRIEDLY PREPARED A NUMBER OF FLEXIBLE PROPOSALS TO PROVIDE FOR PARTIAL FUNDING AND FOR LEASE OF SIPI FACILITIES DESIGNED TO OFFSET OPERATIONAL COSTS. ONE CORPORATION, XEROX, HAS LOANED ^FULL-TIME EMPLOYEE SOLELY FOR THE PURPOSE OF LOOKING INTO THE OPTIONS AND PRESENTING THE BEST POSSIBLE PACKAGE. THESE ACTIONS TAKE TIME, MR. CHAIRMAN. COORDINATING THE MANY INTERESTED PARTIES AND ASSIGNING PRIORITIES IS A TIME-CONSUMING AND EXPENSIVE TASK, AND UNFORTUNATELY, THE BIA RESPONSE TO THESE EFFORTS HAS BEEN TOTALLY UNCOOPERATIVE. NOTE, MR. CHAIRMAN, THAT EVEN BEFORE THIS ALL-OUT, JOINT EFFORT WAS PUT TOGETHER, BIA INDICATED THAT IT WAS AGREEABLE TO SUCH A FUNDING COMPROMISE AND THAT A CERTAIN MINIMUM PRIVATE CONTRIBUTION WOULD BE ENOUGH TO SECURE CONTINUED BIA SUPPORT. NOW THAT THAT MINIMUM HAS BEEN REACHED AND SURPASSED, BIA SAYS "NO." THEY MADE A DECISION, AND NO MATTER HOW ILL-FOUNDED IT WAS, THEY SAY THEY ARE GOING TO STICK WITH IT.

MR. CHAIRMAN, PRIVATE INDUSTRY HAS RESPONDED QUITE FAVORABLY TO THE REQUEST FOR SUPPORT. AT THIS POINT, SOME OF THOSE MOST CLOSELY INVOLVED WITH THIS EFFORT REPORT THAT WITHIN AS LITTLE AS ONE YEAR, PRIVATE INDUSTRY COULD BE CARRYING THE BULK OF SIPI'S FUNDING. AT THE RATE THAT BIA IS PROCEEDING THOUGH, SIPI WON'T BE AROUND TO ACCEPT THESE GRANTS BEYOND THE MIDDLE OF JUNE.

MR. CHAIRMAN, BASED ON THE IMPORTANCE OF THIS NEED AND ON THE PROCEDURAL RULES OF THIS COMMITTEE, I ASK THAT FUNDING FOR SIPI BE CONTINUED IN ORDER TO GIVE THEM THE TIME TO ORGANIZE PRIVATE FUNDING FOR LONG RANGE OPERATION.

THANK YOU, MR. CHAIRMAN.

Mr. McDade. I want to thank you, Congressman Lujan, for a very comprehensive statement and I do want you to know that the committee is aware of your tremendous concern with the school.

The chairman of the committee and the chairman of the committee on the Senate requested that the Bureau not take any action to close the school until such time as we had an opportunity to look at it again.

As you know, you were instrumental in having that done. The chairman of this committee concurred with you. The chairman of the Senate committee concurred with you.

Although these RIF notices are in the mail, I want you to know that the chairman of this committee has contacted the Secretary of the Interior and expressed his outrage, and he uses that word "outrage", at the disregard of the direction provided them by both Senator McClure and Chairman Yates requesting that a decision about closure be withdrawn pending full examination at your request.

There is a current letter right on point with what you are asking and in which the chairman says that he insists that immediate action be taken to rescind the RIF notices.

So, you have the support of this subcommittee, and you have got the support of your Senate colleagues.

We are grateful to you for all of the input you have given us and we are going to fight to accomplish the retention of this school until we can, as you say, have it done in an orderly way.

We don't believe it was done in an orderly way and we have so notified that the chairman could not use stronger language. You and I have known him for some time and it is rare that he used language that strong but he used strong language in contacting the Secretary on this matter.

We will be in touch with you and thank you for your testimony.

[The letter dated May 13, 1982, follows:]

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Congreſs of the United States
House of Representatives
Committee on Appropriations
Washington, D.C. 20515

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CLERK AND STAFF DIRECTOR
KEITH F. MAINLAND

TELEPHONE:
(202) 225-2771

May 13, 1982

Honorable James G. Watt
Secretary
U.S. Department of Interior
Washington, D. C. 20240

Dear Mr. Secretary:

I have been informed that the Bureau of Indian Affairs issued Reduction-in-Force (RIF) notices to the employees of the Southwest Indian Polytechnic Institute (SIPI) in Albuquerque, New Mexico yesterday, May 11, 1982. On behalf of the Subcommittee, I must express outrage at this complete disregard of the direction provided to you in the March 11, 1982 letter signed by Senator James McClure and myself, which read as follows: "Until action is completed on the 1983 budget or until the Department has submitted a reprogramming and received approval of such, we request that the Bureau of Indian Affairs cease all actions pertaining to the closure of the Southwest Indian Polytechnic Institute and that the memorandum of February 22 be immediately withdrawn." It appears that not only was the February 22 termination order not withdrawn, but I am informed the Bureau has proceeded to issue specific RIF notices -- despite the fact that no reprogramming has been submitted or approved to date.

This action on the Bureau's part also completely disregards the discussion between Bureau and Departmental witnesses and myself when the BIA appeared before this Subcommittee on May 5 and 6, 1982. During the May 5 hearing, the proposed closure of SIPI was discussed, and it was made clear that the Subcommittee might very well not agree to the proposed closure, and might decide to include funding for the purpose of keeping SIPI open in fiscal year 1983. The subject of RIFs was also discussed at that time, and I was assured the reprogramming would be submitted, so that the Bureau would not be in violation of the law by use of 1982 funds for termination costs. In light of

Honorable James G. Watt
May 13, 1982
Page Two

those discussions, and the strong indication of the Subcommittee's desire to keep SIPI open, I am appalled the Bureau would take the action it has, which seriously jeopardizes the Subcommittee's prerogative to consider the possibility of keeping SIPI open in 1983. Therefore, I insist you take immediate action to rescind the RIF notices and suspend the SIPI termination order, until the reprogramming proposal has been submitted and action on it has been taken by both the House and Senate Appropriations Committees.

Sincerely,

Sidney R. Yates
Chairman
Subcommittee on Interior
and Related Agencies

Mr. LUJAN. Thank you very much for hearing me and please extend my thanks to the chairman for sending this letter.

Mr. McDADE. Thank you, sir.

[The letter dated March 11, 1982 follows:]

JAMIE L. WHITTEN, MISS.
CHAIRMAN
EDWARD P. BOLAND, MASS.
WILLIAM H. NATCHER, KY.
NEAL SMITH, IOWA
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Congress of the United States
House of Representatives
Committee on Appropriations
Washington, D.C. 20515

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CLERK AND STAFF DIRECTOR
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TELEPHONE:
(202) 225-2771

March 11, 1982

Honorable James G. Watt
Secretary
U. S. Department of the Interior
Washington, D. C. 20240

Dear Mr. Secretary:

On February 22, 1982, the Bureau of Indian Affairs issued instructions that provide for the closure of the Southwest Indian Polytechnic Institute effective June 15, 1982. The fiscal year 1982 justification provided to the Congress by the BIA and the Appropriations bill as passed by the Congress provide for operation of SIPI for the entire fiscal year. No funds were requested nor were any provided for closeout costs.

Committee procedures require that the Department submit a reprogramming request to the Congress for any action which is a "significant departure from the program described in the agency's budget justification." Closure of SIPI clearly falls into this category. You should also take this requirement into account when considering the use of 1982 funds for such purposes as reorganization of the Bureau's field structure or phasing out operations at various locations.

We would further point out that recent closures of BIA schools, with the exception of SIPI, have been requested and accomplished through appropriations bill language rather than administrative action.

We are, of course, familiar with SIPI, and are aware that it is a modern, well-equipped facility that is particularly well suited to the purpose for which it was built: as a post-secondary, technical/vocational training school. It is our opinion that every effort should be made to continue its use for that purpose. However, since the facility is proposed for closure

Honorable James G. Watt
Page Two
March 11, 1982

in the fiscal year 1983 budget, the Committees will consider the proposal as part of their overall consideration of the 1983 budget request, or in connection with a proposal to reprogram fiscal year 1982 funds if one is submitted. Until action is completed on the 1983 budget or until the Department has submitted a reprogramming and received approval of such, we request that the Bureau of Indian Affairs cease all actions pertaining to the closure of the Southwest Indian Polytechnic Institute and that the memorandum of February 22 be immediately withdrawn.

Sincerely,

James A. McClure
James A. McClure
Chairman
Subcommittee on Interior
and Related Agencies
Committee on Appropriations
U. S. Senate

Sidney R. Yates
Sidney R. Yates
Chairman
Subcommittee on Interior
and Related Agencies
Committee on Appropriations
U. S. House of Representatives

cc: Ken Smith
Assistant Secretary for
Indian Affairs

THURSDAY, MAY 13, 1982.

FOREST SERVICE

SEWANEE SILVICULTURE LABORATORY

WITNESS

HON. ALBERT GORE, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TENNESSEE

Mr. McDADE. Our next witness is our colleague Congressman Al Gore from the State of Tennessee. Al.

Mr. GORE. Thank you very much.

Mr. McDADE. Welcome before the committee. Your statement, of course, will be fully included as a part of the record and you may proceed in your own way.

Mr. GORE. I appreciate it very much.

I will summarize this statement.

It is always a pleasure to come here and I enjoy working with you and your colleagues on this subcommittee and the full committee.

I am appearing here in support of the Forest Service, and specifically in support of continued funding for the Southern Forest Experiment Station at Sewanee, Tennessee.

It is one of nine national laboratories that will be closed if the Forest Service implements the plan that it now has pending.

The Sewanee Silviculture Laboratory conducts research into hardwoods, which are the predominant forest type in Tennessee, as well as in many other States, and develops low-cost, high-yield management techniques easily applicable to the hundreds of thousands of small timberland owners in Tennessee and other States.

It is the only U.S. forestry laboratory in Tennessee and the only major hardwood research center in the southern region.

It is of enormous value to the Tennessee Valley and I might say to other States with hardwood resources.

The Sewanee Laboratory it is in line with the new approach of stewardship toward this country's national resources. It has already resulted or contributed to a rise of more than 15 percent hardwood industry in the Tennessee Valley, which accounts for nearly $3 billion in wood products each year.

We are making great strides in production capacity, in spite of the economic downturn. We have an increasingly efficient supply network and increasingly efficient techniques that are being used in the hardwood industry. Much of it is traceable back directly to the work of this Silviculture research station. If the research conducted at Sewanee is abandoned, then I am fearful that this progress will come to a halt. The efforts to protect the hardwoods from competition during the early years of their growth, to prevent fires, and reseed these forests, will abruptly come to an end. I would just urge the subcommittee to stop this plan.

For the meager budget savings proposed of $200,000, we would lose a million dollar laboratory and a data base of 23 years in the making.

If there is ever an example of eating our seed corn, I think this is such a case, and I would urge the subcommittee to stand fast on the course that it has wisely mapped for the hardwood industry of this country rather than throw this center away in this sweep of the pendulum. To plan for the future and invest in the future, even such a small investment as this one, I think is well worthwhile and I would urge the subcommittee's support.

Mr. McDade. We thank you very much for bringing in what is really food for thought. It is an excellent statement.

The committee will give it very serious consideration. We appreciate your testifying before us.

Mr. Gore. Thank you very much.

[The statement of Mr. Gore follows:]

TESTIMONY

by Albert Gore, Jr.

before the
House Appropriations Committee

May 12, 1982

Mr. Chairman, it is a pleasure to appear before you today to speak in support of the U.S. Forest Service and continued funding for the Southern Forest Experiment Station at Sewanee, Tennessee. This station is one of nine national laboratories that will be closed down if the U.S. Forest Service implements the plan that is now pending. The Sewanee Silviculture Laboratory conducts research into hardwoods, the predominant forest type in Tennessee, and develops low-cost, high-yield management techniques easily applicable to the hundreds of thousands of small timberland owners in Tennessee. Its contribution to the state's forestry industry is vital. It is the only U.S. forestry laboratory in Tennessee, and the only major hardwood research center in the Southern region.

The Sewanee station is currently conducting studies in the critical areas of fire prevention, topographic and soil features, growth capacity, forestry management, and wildlife habitat preservation. Their work is at the heart of a statewide effort to reverse the damage wrought by decades of fires, overcutting, cull overgrowth, and poor land management in a once-great forest empire. The scientists at the Sewanee lab work closely with Tennessee's universities, the Tennessee Valley Authority, and state and federal forestry experts, to put into use the inexpensive and easily practiced management techniques they have developed.

The results of this coordinated effort over the past decade have been dramatic. Employment has risen more than 15% in a Tennessee Valley industry now generating nearly $3 billion in wood products every year. We are continuing to make great strides in production capacity, which in turn has led to the building of many new plants and mills in the area. An increasingly efficient supply network of raw materials from the Cumberland Plateau and Highland Rim to these product users has also been established.

The Silviculture Station's focus is directed at the Cumberland Plateau and the Highland Rim, including portions of Tennessee, southern Kentucky, and Northern Alabama, because this area is a major supplier of the Tennessee Valley's timber industry. Yet this 13 million acre region is still producing hardwoods at only a fraction of its potential capacity. The Sewanee station's studies indicate that these forests are capable of meeting the anticipated expansion in long-term wood demand without cutting any more timber than is being cut today, using proper forestry maintenance techniques. Indeed, according to the Director of the Sewanee Laboratory, Dr. Charles McGee, "Nowhere in the South is the opportunity greater for increasing forest benefits than on the Cumberland Plateau of Tennessee, Alabama and Kentucky. This area of 13 million acres of commercial forest-land is a sleeping-giant...If only a portion of the growth capability now going into low-grade or cull logs could be channeled into a higher grade product, the net value of the products harvested could be more than doubled."

Mr. Chairman, if the hardwood research conducted at the Sewanee Silviculture Laboratory is abruptly abandoned as the Admininstration is proposing, this goal will never be met. The necessary effort cannot take place unless the hardwoods are protected from competition during the early years of their growth, the characteristics of the soil and the slope of the land for successful stands are known, and abandoned agricultural lands are identified and excluded from seeding efforts. Hardwoods, as you know, are trees that may take up to 50 years to reach maturity, and require continued vegetation control, thinning, and fire protection. It is impossible to rehabilitate these potentially valuable forests without research into which sites are most productive, for what kinds of trees, and those planting and maintenance techniques that are most easily used and cost-effective.

For a meager budget savings of $200,000, a $1 million laboratory and a data base 23 years in the making will be lost. The closing of the Sewanee Silviculture Laboratory will have a severe impact on efforts to revitalize the timber industry in the Tennessee Valley. Without a healthy forestry enterprise on the 13 million acres of the Cumberland Plateau and the Highland Rim, where a predominance of rocky, thin soil makes these lands unsuitable for agriculture or grazing, we can expect a significant economic decline for hundreds of thousands of small landowners as well.

THURSDAY, MAY 13, 1982.

NATIONAL PARK SERVICE

Land Acquisition-Olympic National Park

WITNESSES

HON. DON BONKER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

HON. AL SWIFT, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WASHINGTON

Mr. McDADE. The next witnesses before this committee are Congressman Don Bonker and Congress Swift.

Gentlemen, we are delighted to have you here.

Mr. BONKER. Thank you, Mr. Chairman, for this opportunity.

Mr. Swift and I are here on behalf of the people of Olympic Peninsula in the State of Washington, an area I presently represent and that Mr. Swift will soon represent as a result of our redistricting. This area was previously represented by the chairwoman of this committee, Julia Butler-Hansen.

Mr. McDADE. Give her our regards should you see her. We would be delighted to hear from her.

Mr. BONKER. In 1976, I sponsored legislation which called for a major exchange of land in the Olympic Peninsula area located along the coastal waters of Washington State and around Lake Ozette.

These are among the most scenic and spectacular areas anywhere in the country. The concern at that time was that timber harvesting threatened the environment along the coast so the Governor worked out an arrangement with the environmental community and the timber interests to authorize land exchange with the Forest Service so this would protect that area and give the timber companies timber elsewhere that wouldn't represent an environmental problem.

Everybody agreed to the bill that I sponsored and so Congress enacted it in 1976. But there apparently wasn't enough money authorized to consummate sales. So we need an additional $10.7 million to make the transaction complete.

The Congress authorized and appropriated earlier $13 million which, at that time, was thought to be enough to effect all these exchanges.

I am just going to make three very quick points, Mr. Chairman, because I am certain that you and the staff are familiar with the details.

One concern is that if we don't proceed with these sales we are going to have renewed threats of logging right up against the water edge which I think will obviate the original purpose of the legislation.

Secondly, a lot of people who are involved in exchanges, and I am talking primarily about inholders who are involved, are in a state of suspension until this whole transaction is complete.

Thirdly, persons who have land within the exchange area can't enjoy the proceeds of the property until after the transactions are made creating much uncertainty for those involved. The acquisitions are a bargain for the Federal Government. Scenic easements will be used along the lake to minimize the cost. The 1976 act deleted some land from the park and it will be used in trades to get key tracts in the new additions.

Overall, it has been a good deal for the Federal Government and we hope that you can find a way of appropriating money from the Land and Water Conservation fund so that we can complete negotiations on the exchange program.

[The statement of Mr. Bonker follows:]

Statement by Congressman Don Bonker of Washington on
Land and Water Conservation Fund Appropriations
before the
House Appropriations Subcommitee on Interior
May 13, 1982

Mr. Chairman, a $10.7 million appropriation will complete a long-overdue acquisition of scenic ocean beach and lakeshore additions to Olympic National Park in Washington State.

Congress added these areas -- including Shi Shi Beach, Point of Arches and the Lake Ozette shoreline -- to the park in 1976. Fewer than 4,000 acres are involved, but they include some outstanding stretches of wilderness coastline and surviving tracts of coastal hemlock, spruce and western red cedar trees.

Acquisition should be a top fiscal 1983 priority for several reasons.

Personal hardship would be alleviated. One landowner is anxious to sell because his wife has contracted leukemia, but he cannot do so until funds are available. Another owner is an elderly man; his family wants him to enjoy the proceeds from the sale of this property.

Resource damage would be averted. A corporate timber owner has responsibly refrained from logging within the new park boundary since 1976, but storms at Lake Ozette have now blown down timber that must be sold to the Park Service, salvaged or lost. Cutting crews will be at work along the lake this summer if federal acquisition is not assured.

These acquisitions are a bargain. Other-than-fee strategies are emphasized to reduce budgetary effects. Scenic easements are being used along the lake, and the 1976 Act deleted some land from the park that now figures in proposed land exchanges to acquire key tracts.

The National Park Service has repeatedly sought these funds, most recently in the agency's submissions to the Secretary of the Interior for this budget. The Administration's failure to concur was ill-advised. The costs are not going to decline with the passage of time.

Congress sought to expedite these acquisitions in 1976. Five and one-half years have since passed. I urge the committee to appropriate the previously authorized $10.7 million from the Land and Water Conservation Fund so that this work can, finally, be completed.

Mr. Bonker. I will yield to my good friend Al Swift who will be in a lot of trouble if this doesn't pass.

Mr. McDade. We don't want that to happen.

You may proceed in your own way.

Mr. Swift. Thank you very much.

I would only make two additional points so as not to be redundant. I wanted just to amplify something Congressman Bonker said and that is that a corporate timber owner in the area has been very responsive in refraining from logging in areas inside the park.

However, a blow-down in that area is forcing the landowner to do something. I think that when we get that kind of cooperation from the private sector on something of this nature, which does take the Government some period of time to go about doing, and then don't come through, we are not sending good signals to the private sector for cooperation and in this instance, logging is probably going to have to begin within the next few months, if Congress doesn't essentially say we are going to go ahead and do what we said we were going to do in 1976.

The only other thing I would add to that is every time I drive by the Washington Monument I look one-third of the way up where the color of the granite changes because Congress decided that it wasn't going to complete something it started in all of its wisdom many years ago and finally when they completed it they couldn't find matching granite.

I think you have a somewhat similar situation here. Congress set out to do something and it should complete it before the circumstances change so significantly that we buy some new problems that weren't there originally and aren't there now.

I thank the committee very much.

Mr. McDade. The committee thanks you both for your excellent testimony and for the work that you have done.

Our colleague on this committee, Norm Dicks, wishes to submit a statement joining with you.

We are certainly all working together and we will do our very best to try to be helpful. We thank you for coming in.

[The statement of Mr. Dicks follows:]

STATEMENT OF HON. NORMAN D. DICKS, M.C.
INTERIOR APPROPRIATIONS SUBCOMMITTEE
MAY 13, 1982

MR. CHAIRMAN, I WOULD LIKE TO JOIN WITH YOU IN WELCOMING MY COLLEAGUES FROM WASHINGTON STATE TODAY.

THEY HAVE TESTIFIED ON A MATTER OF GREAT IMPORTANCE TO THEIR DISTRICTS AND TO THE STATE OF WASHINGTON.

MY FRIENDS HAVE REQUESTED $10.7 MILLION TO COMPLETE THE ACQUISITION OF SEVERAL IMPORTANT ADDITIONS TO THE OLYMPIC NATIONAL PARK. AS MY FRIENDS HAVE MENTIONED, IN 1976 CONGRESS ADDED THESE AREAS TO THE OLYMPIC NATIONAL PARK, BUT UNFORTUNATELY THE NEEDED $10.7 MILLION FROM THE LAND AND WATER CONSERVATION FUND HAS NOT BEEN APPROPRIATED.

I AGREE WITH THEM THAT AT THIS TIME THESE ACQUISITIONS WILL BE BARGAINS FOR THE NATIONAL PARK SERVICE AND THAT DAMAGE TO THE RESOURCES ON THE PROPERTY COULD BE AVERTED IF THE LAND IS ACQUIRED NOW.

ADDITIONALLY, ACTION BY THIS SUBCOMMITTEE IS NEEDED TO ALLEVIATE PERSONAL HARDSHIP FOR SEVERAL INDIVIDUALS IN THE AFFECTED AREA. ONE OWNER WOULD LIKE TO SELL HIS PROPERTY TO THE GOVERNMENT BECAUSE HIS WIFE IS SUFFERING FROM LEUKEMIA, BUT HE IS PREVENTED FROM DOING SO. IF THE NECESSARY ACTION IS TAKEN BY THE CONGRESS BOTH THE GOVERNMENT AND THIS INDIVIDUAL WOULD BENEFIT. THE GOVERNMENT

COULD GET THIS PROPERTY FOR A GOOD PRICE AND THIS INDIVIDUAL WOULD RECEIVE COMPENSATION FOR THE PROPERTY HE OWNS AT A TIME WHEN HE AND HIS AILING WIFE CAN ENJOY IT.

FOR THESE REASONS, MR. CHAIRMAN, I HOPE THE SUBCOMMITTEE WILL GIVE SYMPATHETIC CONSIDERATION TO THIS REQUEST.

THANK YOU.

THURSDAY, MAY 13, 1982.

FOREST SERVICE, AND NATIONAL PARK SERVICE

LAND ACQUISITION, LAKE TAHOE

WITNESSES

HON. NORMAN D. SHUMWAY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

HON. GENE CHAPPIE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. McDADE. We are pleased to welcome our colleagues, Mr. Chappie and Mr. Shumway, both from the State of California.

We are grateful to both of you for coming in and we are delighted to hear you on what is one of the most controversial and most important topics that this committee deals with.

Welcome, gentlemen.

Mr. SHUMWAY. Thank you, Mr. Chairman, I appreciate the fact that you recognize this is a controversial area but I hope that the degree of controversy will not make it immune from the kind of decision that this subcommittee needs to make to address the problem.

We are here to talk about implementing Public Law 96-856 which is the Lake Tahoe land acquisition program. Again, we are talking about the Land and Water Conservation Fund and necessary monies which must come from that fund to give this program life.

We have at stake here the beautiful Lake Tahoe which my colleague from California, Mr. Chappie, and I have the privilege of co-representing and I might just say that after the reapportionment takes effect, which is now slowly taking effect, this year, the entire lake on the California side, both north and south shores, will be in my new district and, therefore, I have a particular interest, knowledge, understanding, concern for that lake.

As the committee knows, many of the lands around that lake and in the basin have been classified as environmentally sensitive. It is those lands that we would like to acquire and add to the inventory of property which is now managed by the Forest Service and this particular bill which was developed in the last Congress is really the key to doing just that.

Mr. Chairman, I am requesting of the total $20 million authorized that at least $7.2 million be appropriated for the coming fiscal year.

We believe that unless we have that kind of shot in the arm at this point, we will not be able to go ahead and complete the project which has been started and which is a great deal of work.

The project, as the committee no doubt realizes, depends on the sale of excess lands which are now owned by the Bureau of Land Management in Clark county, Nevada. Largely because of the recession they have not been able to sell as much as those lands as we anticipate but we have every indication to believe that BLM will be more successful in the future.

They are offering some innovative sales approaches and we think that there will be a stepped-up pace of sales which will provide the kind of funding that this program needs in the future.

In the meantime, however, the serious environmental problems at Lake Tahoe continue to threaten that lake and the entire basin.

Since we have committed ourselves to working out those problems we are most anxious that we have this kind of appropriation so that we can address the concerns of our constituents in California as well as Nevada.

A further reason for making this move at this time is the fact that if this appropriation is not forthcoming we will have to crank down the small beginning that we have made and later when those sales are going at the expected rate, we then will have to crank up the program, which would mean, in my view, some needless repetition of what we have already got.

So, it seems to me, Mr. Chairman, that this program needs to be funded in the upcoming fiscal year to remove those potential hazards of erosion and sedimentation flow that now threaten Lake Tahoe and its environs. I, therefore, respectfully urge that the $7.2 million be appropriated to continue this valuable program, and I would now like to yield to my colleague from California, Gene Chappie.

[The statement of Mr. Shumway follows:]

STATEMENT OF

THE HONORABLE NORMAN D. SHUMWAY OF CALIFORNIA

Mr. Chairman, and members of the Subcommittee, I am pleased to have the opportunity to testify in favor of appropriations necessary to continue the implementation of P.L. 96-586, the Lake Tahoe Land Acquisition Program. As you know, monies for this project are required to be channeled through the Land and Water Conservation Fund and I would respectfully request that these appropriations be made again this year as they were last year at this time.

At stake here is the preservation of the pristine environmental quality of beautiful Lake Tahoe. This land acquisition program is designed to acquire acreage designated by the U.S. Forest Service as "environmentally sensitive" areas. If these particular private parcels are allowed to be developed, the process of building construction coupled with the poor natural drainage characteristics of the land would combine to aggravate the already serious erosion and flow of sedimentation into the Lake. In acquiring these lands, the Forest Service would maintain the environmentally sensitive areas in their natural state and thus help to stop the deterioration of Lake Tahoe's water quality.

In order to implement this program, the Burton/Santini Act authorized $20 million for land acquisition in Fiscal Year 1983. Mr. Chairman, I am requesting that of this $20 million authorization level, at least $7.28 million be appropriated for the upcoming Fiscal Year. The $7.28 million figure represents the difference between the $14 million that has already accrued to the U.S. Treasury since 1978 from Bureau of Land Management (BLM) land sales in Clark County, Nevada and the $6.72 million that was appropriated by Congress for this program in Fiscal Year 1982. I know that you are well aware of the significance of these particular BLM land sales in that they are intended to ultimately finance the Lake Tahoe program costs. It is unfortunate that the BLM had little success in selling their Clark County land this past year, but they have until 1995 to completely reimburse the Treasury for all money paid out to acquire Tahoe's environmentally sensitive lands. That is more than ample time for our nation's economy to revitalize itself to such an extent that the real estate market will pick up once again.

Not leaving anything to chance, the BLM has already taken steps to assure that its future land sales auctions will be more successful. They intend to offer a better mix of property for sale that would include commercial as well as residential sites. Additionally, the BLM plans to reappraise its disposable parcels in order that minimum bid levels more accurately reflect their true value.

As these land sales progress, the environmental problems at Lake Tahoe addressed by this program continue to threaten the Lake's ecosystem. The Federal government, through the Burton/Santini Act, has committed itself to working with State and Local agencies to favorably resolve this situation. If the Federal government were to pull out now for lack of appropriations, a grave disservice would be done to this inter-agency effort and leave many of my constituents on the California side in a difficult position. These people would be left holding land targeted for acquisition by the Forest Service with attendant restrictions on development imposed by the Tahoe Regional Planning Agency, and yet they would still be required to pay property taxes on the same. My constituents have a legitimate complaint and it is my strong belief that the Federal government should follow through on its commitment to implement this land acquisition program.

A further reason for appropriating necessary funds is that without this money, it would be necessary to disband the lands acquisition organization that has formed at the South Lake Tahoe Forest Service office. If Congress delayed funding for a year or more, the organization would have to start from scratch once money was available again. This would mean hiring five new people and acquainting them with this program, a process which has already been done with the five current employees.

The overriding consideration, however, is that this program needs to be funded in the upcoming Fiscal Year so as to help remove the potential hazards of erosion and sedimentation flow that threaten the environmental integrity of Lake Tahoe and its environs. I therefore respectfully urge that $7.28 million be appropriated to continue the Lake Tahoe Land Acquisition Program.

Mr. McDade. Welcome, Gene. Proceed in any way you see fit.

Mr. Chappie. Thank you. I certainly want to offer my support for Public Law 96-586. I have represented people that reside on the California side of the basin for over 30 years now and I really can't overemphasize the importance of this measure for the quality of the environment and the small landowners.

Public Law 96-586 authorizes the sale of BLM land in Clark County, Nevada where the proceeds to be used to purchase land in the Tahoe Basin.

The parcels of land are those lands which the Forest Service has classified as highly sensitive. The classification is due primarily to the poor natural drainage characteristics of the land. If construction were to proceed in these areas it would aggravate an already serious problem of sedimentation in the lake.

People that own land in these areas are unfairly saddled with inverse condemnation. They cannot sell their land and they cannot build upon it. That has been continuing for a number of years now.

On that basis I strongly urge the subcommittee's support of an appropriation of $10 million to keep this project moving.

I work with the small landowners in this area in good faith and they expect and deserve a swift solution to this problem.

Again, Mr. Chairman, I want to thank you for your time and consideration of this vital matter.

[The statement of Mr. Chappie follows:]

CONGRESSMAN GENE CHAPPIE

TESTIMONY BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON THE INTERIOR

MAY 13, 1982

DEAR MR. CHAIRMAN (YATES) AND COLLEAGUES:

I WANT TO THANK YOU FOR THIS OPPORTUNITY TO VOICE MY STRONG SUPPORT FOR THE IMPLEMENTATION OF BURTON-SANTINI, P.L.96-856. I HAVE REPRESENTED THE PEOPLE WHO RESIDE ON THE CALIFORNIA SIDE OF LAKE TAHOE FOR OVER 32 YEARS AND I CANNOT OVER EMPHASIZE THE IMPORTANCE OF THIS MEASURE TO THE QUALITY OF THE ENVIRONMENT AND SMALL LAND OWNERS IN THE AREA.

P.L.96-586 AUTHORIZES THE SALE OF BUREAU OF LAND MANAGEMENT LAND IN CLARK COUNTY, NEVADA, WITH THE PROCEEDS TO BE USED TO PURCHASE LAND IN THE TAHOE BASIN. THE PARCELS OF LAND SLATED FOR FEDERAL PURCHASE ARE THOSE LANDS WHICH THE U.S. FOREST SERVICE HAS CLASSIFIED AS HIGHLY SENSITIVE. THE CLASSIFICATION IS DUE PRIMARILY TO THE POOR NATURAL DRAINAGE CHARACTERISTICS OF THE LAND WHICH, IF CONSTRUCTION WERE TO PROCEED, WOULD AGGRAVATE AN ALREADY SERIOUS FLOW OF SEDIMENTATION INTO THE LAKE. THE PROBLEM WE FACE IS PEOPLE WHO OWN LAND IN THESE AREAS ARE UNFAIRLY SADDLED WITH INVERSE CONDEMNATION - THEY CANNOT SELL THEIR LAND AND THEY CANNOT BUILD ON IT.

CONSEQUENTLY, I STRONGLY URGE THE SUBCOMMITTEE'S SUPPORT OF AN APPROPRIATION OF $10 MILLION DOLLARS TO KEEP THIS PROJECT MOVING. I HAVE WORKED WITH THE SMALL LANDOWNERS IN THIS AREA IN GOOD FAITH AND THEY EXPECT AND DESERVE A SWIFT SOLUTION TO THE PROBLEM.

AGAIN, MR. CHAIRMAN, THANK YOU FOR YOUR TIME AND CONSIDERATION OF THIS VITAL MATTER.

Mr. McDade. I thank you both for the joint effort that you make. You certainly impress upon the committee the necessity of trying to work something out at Lake Tahoe and we will certainly be trying to do that as we move toward markup.

Mr. Chappie. Thank you.

Thursday, May 13, 1982.

FISH AND WILDLIFE SERVICE

Predator Control Research

WITNESS

HON. CECIL HEFTEL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF HAWAII

Mr. McDade. It is a pleasure to welcome our colleague, Congressman Cecil Heftel, to the committee.

Your statement will be a part of the record and you may proceed.

Mr. Heftel. I do appreciate the opportunity, and ask unanimous consent that my statement be placed in the record. I don't think reading the statement would really be a valuable use of the committee's time. I would, however, like to share with the Chairman my belief that the Federal Government has a responsibility involving the health and welfare of the Nation.

The question of Federal participation in the support of the animal damage control center at Hilo and the Cooperative Fishery Unit in Honolulu the kind of cooperative effort and responsibility in which the Federal Government should be involved. Both centers are ideal examples of the private sector and State and local governments in meaningful cooperation for the health and welfare of the people.

If in fact the Nation is in an economic recession, and cannot maintain the percentage of Federal participation as in the past, which in our case has been roughly 50 percent, I would like to think that the Government would nevertheless want to continue its responsibility in these programs. I would strenuously ask that there be consideration for the continuation of support for these centers. The determination of the percentage of support should be an issue this committee addresses in its overall consideration of economic factors.

[The statement of Mr. Heftel follows:]

TESTIMONY OF CONGRESSMAN CECIL "CEC" HEFTEL

Before the Appropriations Committee

Subcommittee on the Interior

May 13, 1982

Mr. Chairman:

I appreciate this opportunity to testify before your Subcommittee on the Administration's proposal to close down, at the end of the year, the Animal Damage Control Center in Hilo, Hawaii, and the Hawaii Cooperative Fishery Research Unit in Honolulu. I wish to express my strong opposition to this proposed action.

The Hilo Animal Damage Control Center has been in operation since 1966, and has served as an extremely successful model of cost-effective public-private cooperation. Private users of the facility, including growers of cane sugar and macadamia nuts, have contributed greatly to the efforts of the center through their direct monetary and in-kind support. In this year alone, the Hawaii Sugar Planters Association (HSPA) contributed $20,000 in cash, approximately $50,000 in laboratory analytical services, and about $80,000 in field assistance, travel funds and miscellaneous expenses. The HSPA contribution nearly equals the $157,000 that the Fish and Wildlife Service allocated to the Center for the year.

This investment has been put to good use. The Animal Damage Control Center has been instrumental in developing rat control techniques that have resulted in a 40-60% reduction in sugarcane crop damage. This translates into $13-17 million in crop savings annually. This is cost-effective research. However, the work is not finished. Large rodent populations still exist, and the center is working to develop methods that would control their proliferation and destroy their habitat. The Center is also developing integrated pest management programs and is investigating mammal control techniques that avoid the use of poisons. The Animal Damage Control Center plays an important role in safe-guarding our environment as well. In our efforts to control certain types of wildlife populations, it is important that the methods used do not have unintended damaging effects on the ecosystem. The Center's wildlife biology unit carefully monitors the effects of its programs on the environment and thus serves an important role.

Mr. Chairman, elimination of the Animal Damage Control Center would be a serious loss to Hawaii. It is the only federal facility involved in research work of this nature located in the State. The research and development by the Center has proven to be vital to our agricultural industry and, hence to our state economy. I urge you to reconsider the proposed closing of this Center.

The Hawaii Cooperative Fishery Research Unit is another example of a cooperative program that has proved extremely successful; it is a model of how the federal and state governments can effectively work together. The Hawaii Unit received $54,000 in federal funds this fiscal year while the state provided $10,000 in base support, and about $60,000 in grants and contracts. The University of Hawaii at Manoa provided facilities, clerical staff, utilities, library resources, and overhead expenses.

In the fifteen years that the program has been in existence, the Hawaii Unit has pursued research on a number of projects related to resource management, including such areas as endangered species, refuge management, stream flow and channelization, coastal reef fisheries, and Northwest Hawaiian Islands resource development. The Unit has played a vital role in the State and University efforts to develop a strong fishery industry. It is also presently working to develop technical expertise in Pacific Basin fishery development, for particular application to the American territories.

The Cooperative Fishery Research Program has proven to be a highly efficient means of providing combined state and federal assistance in natural resource management. Federal resources complement and supplement our state efforts. As a direct result of this program, Hawaii has greatly enhanced its fishery development potential and has done so with a minimum of federal funds.

I hope, Mr. Chairman, that in our efforts to reduce spending we do not simply cut out those programs which are small yet effective. Many of these cost-sharing programs, such as the Animal Damage Control Center and the Cooperative Fisheries Research Unit, serve a valuable role in coordinating cooperation among the federal government, state agencies, and industry. Our state economy has benefitted from and will continue to benefit from these programs. In this respect, I believe it is in our best national interest to keep the Hilo Animal Damage Control Center and the Hawaii Cooperative Fishery Research Unit fully funded. Thank you again, Mr. Chairman, for allowing me to express my concerns to the Committee.

THURSDAY, MAY 13, 1982.

DEPARTMENT OF ENERGY

WITNESS

HON. RICHARD L. OTTINGER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Mr. Dick Ottinger, make yourself comfortable. Your statement will be made part of the record and you may proceed in any way you see fit.

Mr. OTTINGER. Thank you, Mr. Chairman.

I would also put my full statement in the record, with your permission, and concentrate on some of the points I think are most important.

I am appearing as Chairman of the Energy Conservation and Power Subcommittee of the Energy and Commerce Committee on the energy portions of the budget over which you have jurisdiction. I think there are things that are very important for you to consider.

The first consideration is restoring balance to the energy budget. As is quite clear to the overwhelming majority of this body and the Senate, we want to see balance restored between nuclear, coal, conservation and solar. The Administration budget does not follow the lines we have supported over the years, and in fact, your subcommittee has supported over the years. The Secretary of Energy made no defense at all of the figures that they put forward, which put some 87 percent of the budget in the nuclear area, except that that is what they believe.

They believe conservation and solar should be in the private sector, but have no studies to show that in fact the private sector would pick it up. They have advocated even doing away with the conservation and renewable energy tax credits which the industry itself feels is of overriding importance in maintaining the momentum that has been gained. In fact, we have had our chief engineering savings, oil savings, through conservation.

The second thing that I am really concerned about is the Department of Energy, in following its theology, has refused to spend funds that you have appropriated and has just ignored altogether the instructions of this committee. Indeed, we have in writing from them that they don't believe they have to follow the instructions that you put in your report. So I hope you would put what ordinarily goes into the report into the statute.

Specifically, you should mandate that the funds be spent. You should prohibit transfer of funds, and you should set statutory dates by which your appropriations will be allocated so that this evasion can't continue to take place, or at least a lawsuit can be brought to require that the intent and the actual words of our statutes are carried out.

Care should be taken in drafting the bill to ensure that funds are spent on the conservation programs in accordance with the statutory timetable as I have indicated. Another important point in the conservation area is that the funds you provided last year included both new fiscal year 1982 funds and deferrals from the prior year. Funding decisions for fiscal year 1983 should be compared to the total, not just to the new fiscal year 1982 appropriations.

The House Budget Committee in its tentative action has provided for the full figures, and I hope you would watch that very carefully so that you are not just comparing the new fiscal year 1982 funds. Efforts to repeal programs by budget rather than by statute should be rejected as you have done in the past. Funds should be used to carry out the statutory mandates. There I would like to point out that some of the sensitive programs, and I know some of you have expressed reservations about, are really working well and ought to be continued.

RCS program is one you have expressed some doubts about in the past. We now have literally thousands of people trained in doing energy audits and in being able to help individuals to insulate their houses and to have the knowledge with which to do that. It would undercut our entire effort to get utilities into the financing of conservation if they didn't have that expertise. So I would hope you would keep that program funded even though I know that there is a good deal of pressure on the other side.

The weatherization program is absolutely critical. The Administration says the marketplace should take care of conservation. Well, the poor people get the message from the marketplace all right. The prices have gone up. But they don't have the wherewithal to do it. In fact, we have demonstrated that as the weatherization program picked up, we were cutting down on the amount that you have to pay in low income energy assistance. By providing insulation, you reduce the cost of energy assistance.

In order for the States to be able to do their job with respect to conservation, and with the State public utility commissions, PUC's, they need continued funds. PUC's have really gotten into the act with respect to trying to structure rates so as to encourage conservation and for many of those PUC's, the Federal funding is the funding through which they are doing that.

Again, it would seriously undercut that effort if funds weren't provided. I thank you for your consideration. You have been very good, you and the Chairman, in the past. I hope you will continue in your fine tradition.

Just two words on things that are not within my jurisdiction that I feel very strongly about. One is that you reject the proposed reduction in the off-budget Strategic Petroleum Reserve. I am absolutely convinced that the glut that we have now is temporary. We are as vulnerable as we ever were. I think it very short-sighted, penny-wise and pound-foolish, to cut back on that.

The other is that you maintain adequate funding of the energy information and oil pricing compliance. The oil pricing compliance was cut back I think by 60 percent. There is a huge outstanding claim of overcharges. It is a place where you can get additional funds to help balance the budget, pay for some of the things we ought to be doing. It seems to me that should be fully funded.

I thank you for your consideration.

[The statement of Mr. Ottinger follows:]

Testimony of Richard L. Ottinger
before the
Interior and Related Agencies Subcommittee
of the
House Appropriations Committee
May 13, 1982

Mr. Chairman, Members of the Subcommittee, I appreciate this opportunity to appear before you today to discuss the FY 1983 energy budget. I would like to begin by commending you, and in particular the Chairman, for your efforts during these difficult times to preserve many effective programs at the Department of Energy, particularly in the conservation field.

For the first time in the history of the DOE, we have an authorization bill in place well in advance of your actions. The three-year authorization bill, passed last year as part of the Omnibus Reconciliation Act of 1981, differs substantially from the budget proposal of the Reagan Administration. In particular, it provides for much greater balance among the various energy programs. For example, energy conservation is authorized at $575 million, compared to the President's request of $22 million.

The notion of balance in the energy budget is strongly supported by this Congress, and previous Congresses. The conservation authorization in the Reconciliation Act is proof that even in the context of a massive victory for the President's budget proposals, the massive cuts in conservation were rejected by both Houses. In fact, the conservation authorization is nearly identical to the figure adopted by the Republican Senate.

The support for balance continues in this Congress. One hundred and seventy-eight of our colleagues have joined me as sponsors of a resolution in support of a balanced energy program which continues programs in conservation and renewable energy that the Administration proposes to eliminate. In the Senate, the Committee on Energy and Natural Resources voted [16-2] to recommend to the Budget Committee an energy budget which continues these programs at current spending levels, which includes appropriations, deferrals and transfers.

The public also strongly supports continuing our efforts in the conservation and renewable energy field. When I asked my constituents in a questionnaire which areas of the Federal budget they would like to see cut in order to balance the budget, the opposition to cuts in conservation (85%) and solar (84%) was identical to opposition to cuts in social security (84%). Few programs received such strong support. In comparison, twice as many people favored cuts in nuclear energy than in conservation and solar. I have attached the results of the survey for the record.

I suspect that the Congress and the public understand the energy situation much better than the President. They understand that conservation is a far more cost-effective method than any other for reducing our dependence on imported oil. They also understand that it is sheer nonsense to propose spending less than 1% of the energy technologies budget on conservation, and 87% on nuclear energy for which the electricity produced accounts for only 7-8% of U.S. oil use.

I would particularly emphasize the importance of adequately funding the state conservation programs, schools and hospitals, weatherization, state PUC grants, and the Residential Conservation Service. The Administration has foolishly requested no funds for these highly successful programs, which also enjoy strong Congressional support.

During the past year, the Subcommittee has found a number of instances where the DOE has either ignored the funding allocations in your reports, illegally withheld funds, fired essential employees or severely delayed spending funds. I urge the Committee to take appropriate steps through legislation and oversight to ensuring that legislative intent is followed.

In summary, I would make the following recommendations:

1. Follow the recommendations of your colleagues in the Congress, in vote after vote, and restore balance to the energy budget. This will require decisions to be made prior to the allocation of budget authority among subcommittees, since the DOE budget is divided between two subcommittees.

2. Order in the Appropriations' bill that the conservation and solar funds be spent, prohibit transfers of funds, and set statutory dates by which appropriations must be allocated. Care should be taken in the drafting of the bill to ensure that funds are spent on the conservation programs in accordance with a statutory timetable. Transfers of funds should be prohibited. DOE has written to me that they feel free to ignore your report language. Line items in some instances may be appropriate.

3. Keep in mind that current program levels in conservation are funded by a combination of FY 1982 appropriations and deferrals. Funding decisions for FY 1983 should be compared to that total, not just new FY 1982 appropriations. Buget Chairman Jones' proposal takes such deferrals into account.

4. Efforts to repeal programs by budget, rather than by statute, should be rejected, as you have done in the past. Funds should be granted to carry out statutory mandates.

5. The Administration's proposed reduction in the off-budget Strategic Petroleum Reserve account should be rejected. We must not become complacent in this area. Despite increases in the Reserve in the past twelve months, total U.S. stocks, including the reserve have actually declined, due to industry drawdowns.

6. Maintain adequate funding for energy information and oil pricing compliance. Billions of dollars in overcharges could be unrecovered if the President's budget were approved.

Thank you once again. I would be happy to answer any questions, or provide further information for the record.

"Listed are the principal areas of discretionary federal expenditures that can be cut. If we attempt to balance the budget by reducing spending, which areas would you like to see cut?"

	FOR CUTS (%)	AGAINST CUTS (%)
a) Cut job Programs	35	65
b) Cut unemployment benefits	36	64
c) Cut education programs	29	71
d) Cut health and research development	15	85
e) Cut Medicare & Medicaid	19	81
f) Cut housing assistance	40	60
g) Cut community development grants	44	56
h) Cut energy conservation measures	15	85
i) Cut solar energy	16	84
j) Cut synthetic fuels	21	79
k) Cut nuclear energy	33	67
l) Cut foreign economic assistance	62	38
m) Cut foreign military assistance	68	32
n) Cut funds to international organizations	66	34
o) Cut defense budget - Hardware	33	67
p) Cut defense budget - personnel	30	70
q) Cut Social Security benefits	16	84
r) Cut food stamp benefits	50	50
s) Cut scientific & medical research	12	88
t) Cut space research & exploration	26	74
u) Cut revenue sharing grants to states	31	69
v) Cut revenue sharing grants to communities	33	67
w) Cut highway projects	38	62
x) Cut agriculture price supports	67	33
y) Cut mass transit projects	18	82
z) Cut veterans benefits	19	81
aa) Cut flood control projects	26	74
bb) Cut Small Business Administration	31	69
cc) Cut export assistance to business	48	52
dd) Cut Saturday mail sevice	48	52

Mr. McDade. We thank you for coming in and for giving us the benefit of your advice. We always value your testimony very much. We are grateful for your appearance.

Mr. Ottinger. Thank you very much.

Thursday, May 13, 1982.

Various Subjects

WITNESSES

HON. JAMES J. HOWARD, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

HON. HAMILTON FISH, JR., A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

HON. MARGARET M. HECKLER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MASSACHUSETTS

Mr. McDade. At this point we will insert into the record the statement of Congressman Howard, who is detained and will not be able to be with us.

We also have two statements from Congressman Fish. We will do the same with those. He will be unable to be here. He is detained on the Floor with an authorization bill.

We will also put into the record the statement of Mrs. Heckler, who was detained on the Floor with an authorization bill.

[The statements follow:]

STATEMENT OF

HONORABLE JAMES J. HOWARD

BEFORE THE APPROPRIATIONS SUBCOMMITTEE ON THE INTERIOR

THURSDAY, MAY 13, 1982

Mr. Chairman, and Members of the Subcommittee, thank you for this opportunity to present testimony today in your hearings on the budgetary needs of the National Park Service. I would like to speak today about an enormous and immediate threat to one of our most heavily used National Parks. And I would like to request that your subcommittee and the Congress give attention to this problem with the haste needed to prevent permanent damage to the park and the way in which it is used.

As you know, Gateway National Recreation Area is among the most heavily used parks in the National Park System. Sandy Hook, in my Congressional District, is an important part of Gateway. More than two million visitors annually from the New York and New Jersey metropolitan area now enjoy the beaches, nature areas, and wildlife of this unique and historic spit of land. The benefits of the facilities located at the tip of the Hook are immense. Those facilities include the Unit Visitor's Center, the Sandy Hook Marine Laboratory (an extension of Woods Hole National Oceanographic Institute), the New Jersey Consortium of Marine Sciences, a Coast Guard station and barracks, the Headquarters of the American Littoral Society, the bulk of Sandy Hook's parking spaces, three beaches, and a cluster of sixteen structures which are leased to non-profit charitable organisations.

Sandy Hook is linked to the New Jersey mainland by an access road across an extremely narrow neck. At the now-critical point, this link is 200 feet wide. That connection is in immediate danger of being severed by tidal and storm action. Inundated by this year's winter storms, two of the four lanes of the road have been destroyed and washed to sea. It is feared that the next major storm will complete the severence of the Hook.

Should the peninsula be severed, the reconnecting of the spit, either by filling or by bridge, can be expected to be enormously expensive. Serious questions have also been raised as to whether a break will cause new current flows and salinity levels in the bay to the west. A detrimental effect upon the bay's shellfish resource, and a rechanneling of bay pollution could be expected.

Though the National Park Service has studied a number of alternatives for preserving and maintaining the critical area of the Hook, the preferred alternative and most cost effective solution is a program of filling the eroded area with dredged material and regular nourishment as needed after that.

The Park Service has estimated it will require four million cubic yards of sand to close the embayment and restore the shoreline contour, at a one-time cost of $18 million. I am advised this figure could be materially reduced if the Corps of Engineers makes sand available from dredging operations in nearby Ambrose Channel. Nourishment of approximately 100,000 cubic yards per year would be required to maintain the restored contour. This material could readily be obtained from recurring dredging operations required to keep New York Harbor's South Channel open.

Because of the urgency of the erosion threat to Sandy Hook, I would like to ask your subcommittee give consideration to the need for including this item in an FY82 Urgent Supplemental Appropriations Bill. I understand that the Budget Committee is very aware of this need, and has plans to include the necessary amount in its Third Budget Resolution for FY82.

Mr. Chairman, during the summer Sandy Hook is so heavily used that its gates are frequently closed to turn away visitors. Now, those gates are in danger of being closed permanently. No longer is it a question of whether the link in the Hook can withstand the buffeting of winter storms and replenish its beaches, but rather a question of how much time remains until this link is severed. The man-made changes to the beach to the south preclude the natural ability of the beach to heal itself. Once severed, the beach cannot now be expected to restore itself naturally.

With timely action, this portion of Gateway National Recreation Area can be salvaged, so that this major metropolitan recreation area can continue to be used by future generations of bathers, anglers, marine scientists, and nature lovers. I urge you to give this need urgent consideration.

JAMES J. HOWARD, N.J., CHAIRMAN

[illegible]

Committee on Public Works and Transportation

U.S. House of Representatives
Room 2165, Rayburn House Office Building
Washington, D.C. 20515
Telephone: Area Code 202, 225-4472

May 3, 1982

Honorable Sidney R. Yates
Chairman
Subcommittee on Interior
Committee on Appropriations
House of Representatives
Washington, D.C.

Dear Mr. Chairman:

This letter is to solicit your support for inclusion of funding for the Sandy Hook portion of the Gateway National Recreation Area in the Third Concurrent Resolution on the Budget for FY 82 and the Supplemental Appropriations bill for FY 82.

In 1972, when Congress established the Gateway National Recreation Area it did so "in order to preserve and protect for the use and enjoyment of present and future generations an area possessing outstanding natural and recreational features." In passing that law, Congress made a long-term commitment which is as viable today as it was then. The present crisis facing the Sandy Hook area is, in reality, a test of whether or not Congress is prepared to meet that commitment.

Sandy Hook is a barrier peninsula in danger of being divided or separated from the mainland because of continuing erosion in a critical area. The normal sand renourishment patterns have been interrupted by seawall construction to the south of the critical area. Storm tides have created an embayment which must be closed lest a breakthrough occur linking the Ocean and Sandy Hook Bay, resulting in severance of the peninsula. Severance would isolate a Coast Guard Station (with its attendant civilian housing); a U.S. Fish and Wildlife Marine Laboratory; an environmental center operated by Monmouth College; and other valuable buildings. Bridging the separated portions of the peninsula could only be done at enormous cost. Two lanes of a four-lane roadway serving these establishments from the mainland have already been washed out, thereby restricting access to a public bathing area which accommodates more than 2 million visitors a year.

The Park Service estimates it will require 4 million cubic yards of sand to close the embayment, at a one-time cost of $18 million. I am advised this figure could be materially reduced if the Corps of Engineers makes sand available from dredging operations in nearby Ambrose Channel. Nourishment of approximately 100,000 cubic yards per year would be required to maintain the restored contour. This material could readily be obtained from recurring dredging operations required to keep New York Harbor's South Channel clear.

I am further advised that even though the entire amount would be appropriated in the form of budget authority, corresponding estimated outlays this year and over the length of the project would be minimal. Therefore, inclusion of funding for this project in both the Third Budget Resolution and FY 82 supplemental package would yield relatively little or no impact on the overall Federal deficit.

In soliciting your support for this effort, I have been guided by two overriding concerns: first, that we are in a time of national belt-tightening that imposes strict limitations on Federal financing of even the most essential programs, and, second, that Congress has a responsibility to adhere to its commitments to protect and maintain our basic public works support systems.

Funding for the Sandy Hook project, I believe, strikes a proper balance between these principles.

Every best wish.

Sincerely,

JAMES J. HOWARD
Chairman

STATEMENT OF THE HONORABLE
HAMILTON FISH, JR. (R-NY)
BEFORE THE
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS OF THE HOUSE APPROPRIATIONS COMMITTEE
MAY 13, 1982

MR. CHAIRMAN, I WOULD LIKE TO DISCUSS A TOPIC OF EXTREME IMPORTANCE TO NEW YORK AS WELL AS MANY STATES IN THE NORTHEAST — THE APPALACHIAN TRAIL.

THE APPLACHIAN TRAIL IS A CONTINUOUS MARKED FOOTPATH WHICH TRAVERSES THE APPALACHIAN MOUNTAIN CHAIN FROM MAINE TO GEORGIA FOR A DISTANCE OF APPROXIMATELY 2,100 MILES. IN 1968, CONGRESS ENACTED THE NATIONAL TRAILS SYSTEM ACT WHICH DESIGNATED THE APPALACHIAN TRAIL AS ONE OF THE FIRST NATIONAL SCENIC TRAILS. THE ACT PROVIDED FOR A FEDERAL RESPONSIBILITY TO PROTECT THE TRAIL, INCLUDING THE AUTHORITY TO ACQUIRE A PERMANENT RIGHT-OF-WAY. BY 1977, HOWEVER OVER 600 MILES OF THE TRAIL REMAINED IN PRIVATE HANDS AND CHANGES IN OWNERSHIP AND INCREASING PRESSURES FOR DEVELOPMENT POSED THREATS TO THE CONTINUITY OF THE TRAIL. THEREFORE IT BECAME NECESSARY TO INSURE THE ACQUISITION OF A CORRIDOR WIDE ENOUGH TO PROTECT TRAIL VALUES.

ALTHOUGH CONSIDERABLE PROGRESS HAS BEEN MADE IN THE APPALACHIAN TRAIL LAND ACQUISITION PROGRAM, MORE THAN 465 MILES OF THE TRAIL REMAIN TO BE PROTECTED. TO FINISH THE TASK OF ESTABLISHING AND MAINTAINING THE NATION'S FIRST SCENIC TRAIL TO INCLUDE 14 STATES, 8 NATIONAL FORESTS, AND 6 UNITS OF THE NATIONAL PARK

SYSTEM, WE MUST INSURE ADEQUATE FUNDING FOR ITS COMPLETION.

PROTECTION OF AN ADDITIONAL 94 MILES ALONG THE TRAIL IN THE STATES OF NEW HAMPSHIRE, VERMONT, MASSACHUSETTS, CONNECTICUT, NEW YORK, PENNSYLVANIA, AND VIRGINIA WILL COST APPROXIMATELY $13.78 MILLION. PROTECTION OF 5 MILES ALONG THE TRAIL WITHIN NATIONAL FOREST BOUNDARIES IN THE STATES OF NEW HAMPSHIRE, VERMONT, VIRGINIA, TENNESSEE, NORTH CAROLINA, AND GEORGIA WILL COST APPROXIMATELY $1.36 MILLION. THESE PURCHASES WOULD COMPLETE ALL REMAINING TRAIL ACQUISITIONS IN THE NATIONAL FORESTS.

THE EFFECTS OF ZERO FUNDING, AS PROPOSED BY THE REAGAN ADMINISTRATION, WOULD BE DEVASTATING. HUNDREDS AND THOUSANDS OF ACRES OF LAND THAT HAVE ALREADY BEEN PURCHASED WILL BE ISOLATED IF REMAINING PARCELS THAT ARE NECESSARY FOR A CONTINUOUS TRAIL ROUTE ARE NOT PURCHASED WITHIN THE NARROW PROTECTION CORRIDOR. ALSO, THE GREAT MANY LANDOWNERS WHO HAVE AGREED TO SELL LANDS TO THE NATIONAL PARK SERVICE FOR THE APPALACHIAN TRAIL WILL BE LEFT HIGH AND DRY; WITH NO FISCAL YEAR 1983 APPROPRIATION, THE INTERIOR DEPARTMENT WOULD BE FORCED TO RENEGE ON MANY OF THESE CONTRACTS.

CURRENTLY, MUCH OF THE OPERATION AND MAINTENANCE OF THE TRAIL IS PROVIDED AT LITTLE OR NO COST TO THE TAXPAYER BY VOLUNTEER INDIVIDUALS AND ORGANIZATIONS AFFILIATED WITH THE APPALACHIAN TRAIL CONFERENCE. DELAYS IN LAND ACQUISITION WILL DISCOURAGE THE EFFORTS BY THESE VOLUNTEERS AND PRIVATE ORGANIZATIONS IN PROVIDING RECREATIONAL OPPORTUNITIES TO THE

PUBLIC.

THE APPLACHIAN TRAIL IS AN EXTRAORDINARY NATURAL AND RECREATIONAL RESOURCE. IN ORDER TO MAINTAIN ITS BEAUTY, AND PRESERVE ITS UNIQUE QUALITY, WE MUST INSURE THE APPROPRIATION OF$13.78 MILLION TO THE NATIONAL PARK SERVICE, AND $1.36 MILLION TO THE FOREST SERVICE FOR APPALACHIAN TRAIL LAND ACQUISITION.

STATEMENT OF THE HONORABLE
HAMILTON FISH, JR. (R-NY)
RANKING MINORITY MEMBER
SUBCOMMITTEE ON ENERGY DEVELOPMENT AND APPLICATIONS
BEFORE THE
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS OF THE
HOUSE APPROPRIATIONS COMMITTEE
ON
THE DEPARTMENT OF ENERGY APPROPRIATIONS
BILL FOR FY 1983
MAY 13, 1982

MR. CHAIRMAN AND DISTINGUISHED MEMBERS OF THE SUBCOMMITTEE, I WELCOME THIS OPPORTUNITY TO TESTIFY TODAY BEFORE YOUR SUBCOMMITTEE ON AN ISSUE WHICH I BELIEVE IS OF UTMOST IMPORTANCE TO OUR NATION. I AM REFERRING TO THE APPROPRIATIONS FOR THE DEPARTMENT OF ENERGY FOR FISCAL YEAR 1983, AND IN PARTICULAR, OUR RESEARCH AND DEVELOPMENT PROGRAMS IN ENERGY CONSERVATION AND FOSSIL FUELS. THE WISE AND EFFECTIVE MANAGEMENT OF THESE PROGRAMS IS VITAL IF OUR NATION IS TO REDUCE OUR RELIANCE ON FOREIGN OIL SUPPLIES, AND MEET OUR FUTURE ENERGY NEEDS.

MR. CHAIRMAN, BUDGETARY PRESSURES HAVE PRESENTED BOTH OF OUR COMMITTEES THIS YEAR WITH SEVERAL DIFFICULT CHOICES IN ENERGY RESEARCH AND DEVELOPMENT. DURING THIS BUDGETARY CYCLE, IT IS VITAL THAT WE BALANCE OUR ENERGY NEEDS AGAINST OUR CHANCES TO ACHIEVE A SUCCESSFUL ECONOMIC RECOVERY. GIVEN OUR CURRENT FISCAL CONSTRAINTS, WE MUST CAREFULLY EVALUATE OUR ENERGY PRIORITIES FOR FISCAL YEAR 1983 AND MOVE FORWARD WITH A PROGRAM THAT WILL MAKE THE BEST USE OF OUR LIMITED FUNDS.

AS YOU MAY KNOW, THE SUBCOMMITTEE ON ENERGY DEVELOPMENT AND APPLICATIONS, ON WHICH I HAVE THE PRIVILEGE TO BE THE RANKING MINORITY MEMBER, HAS RECENTLY COMPLETED ITS HEARINGS FOR THE FY 1983 BUDGET CYCLE. IN THIS REGARD, I WOULD LIKE TO COMPLIMENT OUR DISTINGUISHED CHAIRMAN, THE HONORABLE DON FUQUA OF FLORIDA, FOR HIS FINE LEADERSHIP AND FOR HIS DILIGENT EFFORTS THROUGHOUT THE YEARS IN HELPING OUR NATION STRUCTURE ITS RESEARCH AND DEVELOPMENT PROGRAMS. EQUALLY PRAISEWORTHY HAVE BEEN THE EFFORTS OF OUR ABLE FULL COMMITTEE RANKING MINORITY MEMBER, THE HONORABLE LARRY WINN, JR., OF KANSAS.

THE MESSAGE FROM OUR HEARINGS WAS CLEAR -- IT IS IMPERATIVE THAT OUR NATION MAINTAIN A BALANCED ENERGY PROGRAM. WE CERTAINLY CANNOT AFFORD TO "PUT ALL OF OUR EGGS IN ONE BASKET", SUCH AS IN NUCLEAR FISSION AND FUSION. ON THE OTHER HAND, WE MUST CONTINUE TO PUSH FORWARD WITH THE DEVELOPMENT OF ALL OF OUR PROMISING ENERGY TECHNOLOGIES, WHETHER IT BE IN FOSSIL FUELS, SOLAR OR GEOTHERMAL ENERGY, OR NEW ENERGY-EFFICIENT MEASURES.

WHILE OUR COMMITTEE HAS SPENT MANY HOURS IN HEARINGS ON THE FY 1983 DOE BUDGET, WE STILL HAVE NOT ACTED ON ANY SPECIFIC AUTHORIZATION BILL THIS YEAR. AUTHORIZATION GUIDANCE HAS PREVIOUSLY BEEN PROVIDED IN THE OMNIBUS BUDGET RECONCILIATION ACT OF 1981, WHICH SET AUTHORIZATION CEILINGS FOR THE DEPARTMENT OF ENERGY'S RESEARCH AND DEVELOPMENT PROGRAMS FOR FISCAL YEARS 1983 AND 1984. HOWEVER, THE CEILING ESTABLISHED IN THIS LEGISLATION IN ENERGY RESEARCH AND DEVELOPMENT FOR FISCAL YEAR 1983 IS SIGNIFICANTLY ABOVE THE ADMINISTRATION'S RECOMMENDED LEVELS -- ALMOST $2 BILLION. AS A RESULT, I CANNOT SUPPORT THIS OVERALL CEILING LEVEL.

AGAINST THIS BACKGROUND, I COME BEFORE YOU TODAY TO DISCUSS MY RECOMMENDED FUNDING LEVELS IN THE CONSERVATION AND FOSSIL FUEL AREAS. THESE RECOMMENDATIONS REFLECT THE NEED FOR A BALANCED ENERGY PROGRAM AND TO ALLOW FOR THE ORDERLY TRANSITION OF FEDERAL PROGRAMS WHERE IT IS INDEED APPROPRIATE. WITH THE CHAIRMAN'S PERMISSION, I WOULD LIKE TO SUBMIT A DETAILED COPY OF MY PROPOSAL FOR THE RECORD AND BRIEFLY REVIEW SOME OF THE HIGHLIGHTS AT THIS TIME. IN ADDITION, I WOULD ALSO LIKE TO SUBMIT A TABLE THAT SETS FORTH MY RECOMMENDED FUNDING LEVELS FOR THE VARIOUS FOSSIL AND CONSERVATION PROGRAM ACTIVITIES.

IN THE CONSERVATION AREA, OUR SUBCOMMITTEE HAS HEARD MUCH TESTIMONY INDICATING THAT CONSERVATION IS THE MOST IMMEDIATE AND COST-EFFECTIVE MEANS TO REDUCE OUR RELIANCE ON FOREIGN OIL SUPPLIES. MOST COMPELLING WERE THE FINDINGS OF A RECENT REPORT FROM THE PRESTIGIOUS ENERGY RESEARCH ADVISORY BOARD. IN DETERMINING FEDERAL ENERGY R&D PRIORITIES, THIS PANEL FOUND THAT THE OVERALL LEVEL OF FEDERAL R&D FUNDING FOR CONSERVATION WAS TOO LOW IN VIEW OF ITS "POTENTIAL FOR ENERGY IMPROVEMENTS AND THE INABILITY OF MANY IMPORTANT ENERGY-CONSUMING SECTORS TO CONDUCT R&D."

I WOULD PROPOSE $100.142 MILLION FOR CONSERVATION R&D FOR FISCAL YEAR 1983, AN INCREASE OF $82.6 MILLION OVER THE ADMINISTRATION'S REQUEST. THE LARGEST PORTION OF THIS INCREASE WOULD BE IN THE BUILDING AND COMMUNITY SYSTEMS ($15 MILLION), INDUSTRIAL ($20 MILLION) AND TRANSPORTATION ($37.1 MILLION) PROGRAMS. WHILE I HAVE BEEN A STRONGER SUPPORTER OF OUR CONSERVATION PROGRAMS, IT IS CERTAINLY APPARENT THAT WE CANNOT AFFORD THE SIGNIFICANT ADDITIONS THAT I HAVE RECOMMENDED HERE WITHOUT CUTS IN OTHER AREAS, FOR EXAMPLE, NUCLEAR. I WOULD HOPE, HOWEVER, THAT IN MAKING YOUR DECISIONS, YOU WOULD CONSIDER SOME OF THE PRIORITIES WHICH ARE REFLECTED IN MY PROPOSAL BEFORE YOU TODAY.

A SIGNIFICANT PORTION OF THE INCREASE IN THE BUILDINGS AND COMMUNITY SYSTEMS AREA WOULD GO FOR BUILDING SCIENCES ($5 MILLION), DISTRICT HEATING AND COOLING PROGRAM ($2 MILLION), AND THE TECHNOLOGY CONSUMER PRODUCTS AREA ($7.5 MILLION). IN MY OPINION, THESE PROGRAMS SHOW GREAT PROMISE AND SHOULD BE OUR HIGHEST PRIORITIES IN CONSERVATION. THE ACTIVITIES WHICH SHOULD BE SUPPORTED IN BUILDING SCIENCES INCLUDE BASIS COMPONENT RESEARCH, INSULATION AND MATERIALS, WINDOWS AND DAY-LIGHTING, INDOOR AIR QUALITY, PERFORMANCE CALCULATIONS AND DIAGNOSTICS AND SYSTEMS RESEARCH. WE ALSO NEED TO LOOK AT WAYS TO COMBINE PROMISING TECHNOLOGIES SUCH AS PASSIVE SOLAR OR PHOTOVOLTAICS WITH MORE EFFECTIVE BUILDING CONSERVATION TECHNOLOGIES. THESE GENERIC RESEARCH ACTIVITIES CAN HELP US MAKE GREAT STRIDES IN REDUCING OUR ENERGY USE IN OUR HOMES AND COMMERCIAL BUILDINGS.

THE TECHNOLOGY CONSUMER PRODUCT ACTIVITY ALSO DESERVES MENTION. THIS PROMISING PROGRAM WILL HELP US DEVELOP ENERGY-EFFICIENT APPLIANCES AND CONSUMER PRODUCTS AND IS, TO A LARGE EXTENT, HEAVILY HARDWARE ORIENTED.

THE POTENTIAL FOR ENERGY SAVINGS IN THIS AREA IS HIGH. OVER HALF OF THE ENERGY CONSUMED IN BUILDINGS IS FOR HEATING AND COOLING. LIGHTING ACCOUNTS FOR 30 PERCENT OF THE ENERGY USED IN COMMERCIAL BUILDINGS. MAJOR APPLIANCES (INCLUDING

HEATING AND COOLING EQUIPMENT AND HOT WATER HEATERS) ACCOUNT FOR 93 PERCENT OF RESIDENTIAL AND 70 PERCENT OF COMMERCIAL BUILDING ENERGY USE. WE CAN MAKE GREAT STRIDES IN REDUCING ENERGY USE HERE, AND THE CONSUMER PRODUCTS PROGRAM CAN PLAY A KEY ROLE IN THIS EFFORT.

IN THE INDUSTRIAL AREA, MY PROPOSAL WOULD PROVIDE $20 MILLION FOR THIS PROGRAM IN FISCAL YEAR 1983. ON NUMEROUS OCCASIONS, THE SCIENCE COMMITTEE HAS HEARD ABOUT THE GREAT POTENTIAL OF REDUCING ENERGY IN THE INDUSTRIAL SECTOR. THIS SECTOR PRESENTLY CONSUMES APPROXIMATELY 36 PERCENT OF OUR NATION'S ENERGY, AND THUS, IT IS AN AREA WHERE FRUITFUL GAINS CAN BE MADE IN THE NEAR FUTURE. I BELIEVE THAT IN SUBMITTING ITS BUDGET REQUEST FOR FISCAL YEAR 1983, THE DEPARTMENT OF ENERGY HAS OVERLOOKED THE PROMISING ENERGY CONTRIBUTION WHICH CAN BE OBTAINED FROM THIS PROGRAM. THIS ADDITIONAL FUNDING SHOULD BE AIMED AT LONG-TERM, HIGH-RISK GENERIC INDUSTRIAL ACTIVITIES.

ONE OTHER PROMISING CONSERVATION ACTIVITY IS THE TRANSPORTATION ENERGY PROGRAM. THE AUTOMOBILE INDUSTRY HAS TESTIFIED BEFORE THE SCIENCE COMMITTEE ON NUMEROUS OCCASIONS THAT THEY CANNOT COMPETE BY THEMSELVES WITH THE FOREIGN MANUFACTURERS IN THE COMMERCIAL MARKET, AND AT THE SAME TIME SHOULDER THE ENTIRE COST OF DEVELOPING THE AUTOMOBILE OF THE FUTURE. OUR COMMITTEE HAS HEARD OVER AND OVER AGAIN

THAT THE INDUSTRY LACKS THE CAPITAL TO PURSUE PROMISING NEW TECHNOLOGY DEVELOPMENTS IN THE GAS TURBINE AND STIRLING ENGINES.

AS YOU KNOW, MR. CHAIRMAN, GREAT STRIDES CAN BE MADE IN THIS AREA. OUR TRANSPORTATION SECTOR USES MORE PETROLEUM FUEL THAN MOST OF OUR OTHER SECTORS COMBINED, AND ACCOUNTS FOR OVER 26 PERCENT OF ALL THE ENERGY CONSUMED IN THIS COUNTRY. IT WOULD SEEM THAT NEW DEVELOPMENTS IN ENERGY-EFFICIENT AUTOMOBILES ARE IN THE NATIONAL INTEREST. BASED ON TESTIMONY WHICH HAS BEEN PRESENTED BEFORE THE SCIENCE AND TECHNOLOGY COMMITTEE, I WOULD RECOMMEND $28 MILLION IN FISCAL YEAR 1983 TO CONTINUE THE VEHICLE PROPULSION PROGRAM AND INITIATE THE NEXT PHASE OF THE GAS TURBINE AND STIRLING PROOF-OF-CONCEPT PROGRAMS. IN ADDITION, FUNDING IS RECOMMENDED IN ELECTRIC AND HYBRID VEHICLES FOR ADVANCED BATTERIES ($3.8 MILLION) AND SYSTEM COMPONENTS ($5.3 MILLION). IN MY OPINION, THIS PROGRAM SHOULD BE ONE OF THE DEPARTMENT'S HIGHEST PRIORITIES.

FINALLY, I WOULD ALSO RECOMMEND FUNDING FOR THE ENERGY-RELATED INVENTIONS PROGRAM ($4 MILLION) AND THE ENERGY EXTENSION SERVICE ($10 MILLION). THESE PROGRAMS HAVE CERTAINLY PRODUCED TANGIBLE PAY-OFFS. THE ENERGY EXTENSION SERVICE

HAS SHOWN GREAT PROMISE FOR PROVIDING USEFUL PERSONALIZED INFORMATION TO CONSUMERS AND SMALL BUSINESSES. IN LIGHT OF THESE CHANGES, A READJUSTMENT IS MADE TO REDUCE THE ENERGY CONVERSION AND UTILIZATION PROGRAM BY $7 MILLION. THIS READJUSTMENT REFLECTS THE ADDITIONS THAT ARE RECOMMENDED IN THE OTHER END-USE SECTOR PROGRAMS.

TURNING TO THE FOSSIL PROGRAM, MY PROPOSAL RECOMMENDS SEVERAL SIGNIFICANT CHANGES IN THE ADMINISTRATION'S BUDGET REQUEST FOR THE FOSSIL FUELS AREA. THESE CHANGES WILL ALLOW THE FEDERAL GOVERNMENT TO SUPPORT LONGER-TERM, HIGH-RISK PROGRAMS WHICH HAVE THE POTENTIAL FOR SIGNIFICANT PAYOFFS. THESE ACTIVITIES WILL FOCUS ON ACQUIRING THE TECHNOLOGY BASE NECESSARY FOR INDUSTRY TO DEVELOP AND DEMONSTRATE HARDWARE WITHOUT THE NEED FOR SUBSTANTIAL FEDERAL GOVERNMENT ASSISTANCE.

IN THIS PROGRAM, MY PROPOSAL WOULD SELECTIVELY INCREASE, DECREASE, AND REDIRECT VARIOUS ELEMENTS IN ORDER TO ACCELERATE THE DOMESTIC PRODUCTION OF COAL, GAS AND OIL AND TO PERMIT THESE RESOURCES TO BE USED IN AN ECONOMICALLY VIABLE AND ENVIRONMENTALLY ACCEPTABLE MANNER. THE NET RESULT WOULD BE TO ADD $141.65 MILLION TO THE ADMINISTRATION'S REQUEST, FOR A TOTAL FUNDING LEVEL OF $248.55 MILLION.

Some of the fossil areas impacted under my proposal include coal liquefaction and gasification, control technology and preparation activities, advanced research and technology development, heat engines and heat recovery, combustion systems, fuel cells, and magnetohydrodynamics (MHD). Funding increases are also recommended in petroleum research and development and enhanced gas recovery.

Our Subcommittee has spent a great deal of time in considering the Administration's request in the fossil area. The Subcommittee has heard that the private sector will not pick up the slack in many promising areas, such as fuel cells, the high temperature turbine program and enhanced gas recovery, if Federal support were withdrawn. I believe that we must also advance the state-of-the-art in environmental controls for fossil fuel-fired powerplants; we cannot afford slippage in this work. In addition, the MHD program has shown great promise for utilizing our coal resources in a more efficient and environmentally safe manner.

Mr. Chairman, I think I have covered several of the most significant recommendations in my proposal. Many of these items which I have mentioned represent vital areas of concern for our National energy future. Let me conclude by saying that my recommendations have attempted to identify

THE MOST PROMISING FOSSIL FUEL AND CONSERVATION TECHNOLOGIES, AND HAVE SELECTIVELY INCREASED OR DECREASED THEIR FUNDING AFTER CAREFUL SCRUTINY. THESE FUNDING RECOMMENDATIONS REPRESENT THE PRIORITIES WHICH I BELIEVE ARE ESSENTIAL IN HELPING OUR NATION MEET ITS FUTURE ENERGY NEEDS. I URGE YOUR SUBCOMMITTEE TO CONSIDER THESE PRIORITIES. WE ALL REALIZE THAT OUR NATION'S ENERGY R&D PROGRAMS MUST BE CAREFULLY BALANCED AGAINST OUR NEED FOR A SUCCESSFUL ECONOMIC RECOVERY.

MR. CHAIRMAN, THANK YOU FOR THE OPPORTUNITY TO ADDRESS THIS SUBCOMMITTEE. I WILL BE PLEASED TO ANSWER ANY QUESTIONS YOU OR THE OTHER MEMBERS MAY HAVE.

ATTACHMENT

TABLE I

FY 1983 Department of Energy Recommendations

Energy Conservation and Fossil Energy Research and Development

(In thousands)

Program	Administration Request (Budget Authority)	Mr. Fish's Recommendation
ENERGY CONSERVATION		
Buildings and Community Systems	-	15,000
Industrial	-	20,000
Transportation		40,600
State and Local (R&D) Jurisdiction	-	10,000
Multi-Sector	17,542	14,542
TOTAL, Energy Conservation	17,542	100,142
FOSSIL ENERGY		
Coal		
Mining Research and Development	1,000	1,000
Coal Liquefaction	26,200	37,800
Surface Coal Gasification	10,500	33,900
Underground Coal Gasification	700	700
Advanced Research and Technology Development	19,800	40,350
Control Technology and Coal Preparation	8,600	25,900
Heat Engines and Heat Recovery	-	10,000
Combustion Systems	6,500	11,000
Fuel Cells	9,500	29,600
Magnetohydrodynamics	-	25,000
Program Direction	8,000	9,500
Subtotal, Coal	90,800	224,750
Petroleum		
Enhanced Oil Recovery	5,300	6,500
Oil Shale	6,300	6,300
Advanced Process Technology	3,500	5,000
Program Direction	1,000	1,000
Capital Equipment	-	-
Subtotal, Petroleum	16,100	18,800
Gas		
Enhanced Gas Recovery	-	4,900
Program Direction	-	100
Capital Equipment	-	0
Subtotal, Gas	0	5,000
TOTAL, Fossil	106,900	248,550

Attachment

Renewable Energy

This proposal provides $179.006 million for renewable energy research and development activities, an increase of $61.014 million over the Administration's request for Fiscal Year 1983. Of this amount, $144.696 million is recommended for solar energy research and development, with the remaining $34.31 million earmarked for geothermal energy. With this increase, I am confident that our Nation will proceed with a balanced energy program that will allow us to develop promising new energy technologies.

In the solar area, this proposal recommends an increase of $4 million for passive solar heating and cooling activities for Fiscal Year 1983. This funding will be used for advanced materials and components development. In addition, support will be provided to allow for an orderly termination of the systems development activities.

This proposal also recommends $44 million for solar photovoltaics activities, an increase of $16.965 million over the Administration's request of $27.035 million for Fiscal Year 1983. This increase will provide additional support in such areas as amorphous and other thin film materials ($6.465 million), general cascading work in advanced concepts ($1.5 million), balance-of-systems activities ($3 million), advanced concentrator devices ($2.5 million), data gathering from on-going experimental projects ($1.5 million) and testing and performance analysis including standards-relating activities ($2 million). These activities will help our Nation tap the significant potential of providing solar photovoltaic technologies.

In solar thermal, this proposal calls for $40.9 million in solar thermal research and development for Fiscal Year 1983, an increase of $22.875 million over the Administration's request. Solar thermal technology offers great promise for converting solar energy into medium and high temperature heat. This increase will provide additional support for the repowering initiative ($5 million), parabolic dish module development activities ($3.875 million), operation of research facilities ($3 million), central receiver systems engineering and thermal component and subsystem advanced development ($10 million) and data analysis ($1 million).

Of all the solar programs, the biomass program has shown great promise for providing a significant solar contribution before the Year 2000. A recent Energy Research Advisory Board report indicated that with appropriate research and development, biomass has the potential of supplying the Nation with about five quads of energy by the Year 2000. In recognition of this potential, this proposal recommends a total of $17.75 million for biomass research and development, an increase of $11.45 million over the Administration's request. This increase will provide for a more balanced production and conversion program by supporting additional feedstock development in short-rotation woody crops ($4 million), herbaceous feedstocks ($3 million) and aquatic systems ($1 million). Funding is also provided for thermochemical conversion analysis ($3.145 million).

In wind energy, this proposal increases the Administration's original request by $7.115 million, bringing wind energy to a total of $12.6 million. Technology development activities, such as stress fatigue and failure work ($2.115 million), resource assessment for large wind machines ($2 million), and small wind energy conversion systems standards work ($1 million) is increased. Two million dollars is also included for the operation of the MOD-5 wind machines.

Under this proposal, additional work ($5 million) is provided for alcohol fuels activities. This funding is directed towards advanced process technology development, including acid and enzymatic hydrolysis, that depends on feedstocks other than grain or sugar. This action is consistent with the recommendations of the U.S. National Alcohol Fuels Commission, which called for an expansion of the ethanol raw material base to include more than just livestock grains.

Additional funding ($4 million) is also provided for solar information systems. This funding will help continue the SERI-SEIDB technical data base program.

In order to provide adequate personnel to manage the solar program, program direction is increased by $1.5 million. No change is reccommended under this proposal in the Administration's request for active solar heating and cooling, ocean energy systems, the international solar energy program and the Solar Energy Research Institute facility.

In geothermal energy, this proposal calls for an increase of $24.5 million over the Administration's request, for a total of $34.31 million. An increase of $20 million is recommended for the second geothermal demonstration project located in Heber, California. This project is necessary if we are to tap our moderate temperature geothermal resources which comprise 80 percent of the resources suitable for electric power production. According to the GAO, the elimination of Federal funds for the Heber project would severely impede the full development and use of our Nation's geothermal resources. Under this proposal, the HDR program ($2.5 million) and technology development ($2 million) are also increased. This recommendation will be modified if additional funds are reprogrammed to this project during Fiscal Year 1982.

Energy Conservation

This proposal calls for energy conservation research and development to be funded at $100.142 million for Fiscal Year 1983, an increase of $82.6 million over the Administration's request.

In buildings and community systems, an additional $15 million is reccommended over the Administration's request. This increase is allocated among the building sciences ($5 million), the community systems district heating and cooling program ($2 million), and technology consumer products program ($7.5 million). The activities which will be supported in building sciences include basic component research ($500,000), insulation and materials ($500,000), windows and daylighting ($1 million), indoor air quality ($1 million), performance calculation and diagnostics ($1 million), and systems research ($1 million). Among the activities supported in the technology and consumer products program are thermal activated and advanced heat pumps ($4 million), advanced lighting systems ($1 million), advanced HVAC systems ($1.5 million), and more efficient wood stoves ($1 million). Program direction ($500,000) support is also provided.

The Science Committee has strongly supported the industrial energy conservation program in the past. This proposal provides $20 million to continue this program, with funding directed towards long-term, high-risk non-industry specific activities.

In transportation energy conservation, this proposal recommends, $28 million to continue the vehicle propulsion program and to initiate the next phase of the gas turbine and Stirling proof-of-concept programs. In addition, funding is recommended in electric and hybrid vehicles for advanced batteries ($3.8 million) and system components ($5.3 million). Increased funding ($2.5 million) is also provided for transportation systems utilization, including heavy duty transport research and development in areas such as the heavy freight truck sector. This action is consistent with the conclusions of the Energy Research Advisory Board in recommending Federal energy research and development priorities. Finally, additional funding is provided for program direction ($1 million).

In the multi-sector program, funding is restored for the energy-related inventions program ($4 million), but a readjustment is made to reduce the energy conversion and utilization program by $7 million.

Finally, under state and local programs, this proposal recommends $10 million for the continuation of the Energy Extension Service program in accordance with the cost-sharing requirements set forth in the Omnibus Budget Reconciliation Act of 1981. This program has shown great promise for providing useful personalized information and technical assistance to consumers and small businesses.

Supporting Energy Research

This proposal does not recommend any changes to the Administration's request for supporting energy research for Fiscal Year 1983. This area is composed of six programs, including basic energy sciences, energy research analysis, advisory and oversight program direction, university research support, multiprogram general purpose facilities and policy and management. In addition, technical information services and in-house energy management are also funded under this category. The Administration has requested a total of $346.653 million in this area for Fiscal Year 1983.

Electric Energy and Energy Storage Systems

This proposal recommends a total of $24 million for electric energy and energy storage systems programs for Fiscal Year 1983. Of this amount, $8 million is directed to electric energy systems and $16 million is allocated for energy storage systems. The Administration had originally not requested any funding for these programs for Fiscal Year 1983.

In electric energy systems, funding is added for systems architecture and integration ($2 million), specifically relating to emergency state control activities, various control strategies and systems stability assessments, and power delivery activities ($6 million), primarily relating to electric field effects and superconducting technologies. Funding may also be utilized for the Battery Energy Storage Test facility if deemed appropriate and necessary.

As for the energy storage systems program, $12 million is directed towards electrochemical energy storage activities, including basic research support ($5 million), aqueous and non-aqueous systems ($5 million), and the National Battery Test Laboratory at Argonne National Laboratory. The remaining $4 million is recommended for physical and chemical storage, with $2.5 million specifically directed to hydrogen research.

Fossil Energy

This proposal calls for a fossil energy research and development program of $248.55 million for fiscal year 1983, an increase of $141.65 million over the Administration's request. Additions are recommended in the coal, oil and gas areas.

In the coal program, this proposal calls for an increase of $17.3 million for control technology and preparation activities, for a total program funding level of $25.9 million. The purpose of this program is to (1) upgrade the quality of U.S. coals, (2) improve the ability to remove flue gas pollutants and (3) remove undesirable substances produced during gasification or coal combustion from process steams. Increases are recommended in coal preparation ($4.5 million), flue gas clean up ($3.5 million), gas stream cleanup ($6.8 million), and program support ($2.5 million).

With respect to the advanced research and technology development program, an increase of $20.55 million is recommended. This increase will bring the total program funding level to $40.35 million for fiscal year 1983. Additional funding is recommended under this proposal for processes ($9.75 million), materials and components ($5.3 million) and university coal research ($5.5 million).

In the coal liquefaction area, funding increases are recommended for support studies and engineering evaluations ($1 million) and third generation processes ($10.6 million). This will bring the total funding for the coal liquefaction program to $37.8 million for fiscal year 1983.

In surface coal gasification, this proposal recommends a total of $33.9 million for fiscal year 1983, an increase of $23.4 million over the Administration's request. This program will help industry in the development of advanced gasifiers and gasification processes that will permit the processing of various types of U.S. coals. Increases over the Administration's request are recommended in gasifier systems ($12.5 million), equipment and instrumentation concepts ($3.5 million), environmental studies ($1.75 million), engineering analyses and support ($3 million) and oversight activities for the Great Plains and Bi-Gas projects ($3.9 million). A cut of $1.25 million is also recommended from the request for advanced process development.

As for heat engines and the heat recovery program, this program calls for an increase of $8 million in heat engines-central power systems for the high temperature turbine technology program. This is a program that will not adequately be picked up by the private sector if Federal support is withdrawn. In addition, funding ($2 million) is also recommended for dispersed power systems. The Administration had originally requested no funding for these programs.

In combustion systems, this proposal recommends a total of $11 million for fiscal year 1983, an increase of $4.5 million over the Administration's request. Increases are recommenced in atmospheric fluidized bed combustion ($1.1 million) and advanced combustion technology $3.4 million).

The Science Committee has strongly supported the fuel cell program in the past. In order to provide for a minimal technical base for this program, increases are recommended in the phosphoric acid technical base program ($10 million), molten carbonate systems development ($6.1 million) and advanced concepts ($1 million). Additional funding ($3 million) is also provided for the 4.8 megawatt fuel cell demonstration project in New York City. This will bring total program funding to $29.6 million for fiscal year 1983.

The Administration has requested no funding for the magnetohydrodynamics (MHD) program in fiscal year 1983. However, based on testimony recently received by the Science Committee, this proposal recommends a $25 million base program for fiscal year 1983.

This proposal recommends no change in other coal programs including the underground coal gasification and mining research and development programs. Program direction is increased by $1.5 million over the original request to accommodate additional program responsibilities.

In the petroleum research and development area, this proposal recommends an increase of $2.7 million over the Administration's original request, for a total funding level of $13.8 million. Additional funding is recommended for advanced process technology ($1.5 million) and enhanced oil recovery ($1.2 million).

Finally, this proposal recommends an increase of $5 million for unconventional gas recovery for fiscal year 1983. According to testimony received by the Science Committee, our Nation's ability to tap our huge resource of unconventional gas supplies will depend to a large extent on the development of effective gas technologies. The Administration originally requested no funds for this program.

General Science

This proposal calls for a General Science program of $583.97 million for Fiscal Year 1983, a decrease of $15 million below the Administration's request. Changes are recommended in High-Energy Physics.

In the High-Energy Physics program, this proposal calls for a decrease of $6 million from Physics Research Operating Expense related to universities. This provides an increase of 10 percent over funds appropriated for this activity in FY 1982. This proposal also reduces facility operation, operating expense by $6.2 million from the Administration's request of $157.3 million to $151.1 million. The affected facility is at SLAC. This proposal also reduces the Facilities Operation, Capital Equipment request by $3 million from the Administration's request of $47.5 million to $44.5 million. This provides an increase of 10 percent above funds appropriated in FY 1982. This proposal increases Facility Operation, Construction by $7.4 million from the Administration's request of $50.5 million to $57.9 million. The increase is to be provided for the ISABELLE project. This proposal also will decrease the TEV-I construction funds from a request of $18 million to $14.4 million. This reduction of $3.6 million from the FY 1983 request will be added to the $7.4 million to provide a total of $10 million for ISABELLE construction. This proposal also will reduce the High Energy Technology, Operating Expense by $6.2 million from the Administration's request of $80.7 million to $74.5 million. The proposed $74.5 million is an increase of 12 percent above the amount provided in the FY 1982 budget.

There is no change proposed in the Nuclear Physics program from the Administration's request of $130.95 million.

HAMILTON FISH, JR.
25th District, New York

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Phone (914) [illegible]
Peekskill Office
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Kingston Office
[illegible] Fair Street 12401
Phone (914) [illegible]

Q Congress of the United States
House of Representatives
Washington, D.C. 20515

JUDICIARY COMMITTEE

Subcommittee on Immigration,
Refugees and International Law
Ranking Minority Member

Subcommittee on Crime

SCIENCE AND TECHNOLOGY

Subcommittee on Energy
Development and Applications
Ranking Minority Member

March 1, 1982

Congressman Sidney Yates
2234 Rayburn HOB
Washington, D.C. 20515

Dear Sidney:

I thought you might be interested in the enclosed letters from National Park Service Director Russell Dickenson, and President Ronald Reagan, concerning the Franklin Delano Roosevelt home.

Sincerely,

Ham

Hamilton Fish, Jr.
Member of Congress

HF:mk
enclosures

THE WHITE HOUSE
WASHINGTON

February 18, 1982

Dear ~~Mr. Roosevelt~~: Franklin

It was with deep regret that I learned of the fire at your family home in Hyde Park. As you noted in your telegram to me, it is clearly the responsibility of the Federal Government to ensure a rapid restoration of this historic site that commemorates one of our greatest Presidents.

As part of a major initiative my Administration announced last year, the National Park Service has begun a five-year, $525 million dollar park restoration and improvement program. In view of the high priority that attaches to restoration of the Roosevelt family home, I am certain that the Department of the Interior will move quickly to assign the restoration project a high priority within its existing program.

I have asked the Secretary of the Interior to make sure that he makes the necessary funding available within the program.

Sincerely, Ron

The Honorable Franklin D. Roosevelt, Jr.
Clove Creek Farm
Poughquag, New York 12570

United States Department of the Interior

NATIONAL PARK SERVICE
WASHINGTON, D.C. 20240

IN REPLY REFER TO:

D22(220)

FEB 17 1982

RECEIVED
FEB 17 [illegible]
WASHIN

Honorable Hamilton Fish, Jr.
House of Representatives
Washington, D.C. 20515

Dear Mr. Fish:

I am writing to let you know the current status and the Department's tentative plans for restoration of the Franklin D. Roosevelt Home, New York, which experienced significant fire damage on the night of January 23, 1982.

Currently, the National Park Service is investigating the extent of the fire damage. A temporary roof has been constructed to protect the interior of the home from possible environmental damage, and cleanup work on all floors of the structure is underway.

Pending a complete evaluation of the extent of the damage, a reliable cost estimate and time frame for repair and restoration of the home is not available, but a current estimate is approximately $2.5 million. At the very least, it will take several weeks and perhaps longer to adequately plan the restoration work.

When reliable construction estimates become available, it is our intention to initiate a reprogramming request to the Congress to defer a lower priority fiscal 1983 project, possibly from the Park Restoration and Improvement Program, to accomplish the restoration of the Franklin D. Roosevelt Home.

Be assured of our desire to move as quickly as possible on restoring and reopening this important historic site for the use and inspiration of the American people. If I can be of further assistance, please let me know.

Sincerely,

Russell E. Dickenson

Director

HAMILTON FISH, JR.
[illegible]

[illegible]

JUDICIARY COMMITTEE

[illegible]

SCIENCE AND TECHNOLOGY

[illegible]

Congress of the United States
House of Representatives
Washington, D.C. 20515

February 19, 1982

The Honorable Sidney Yates
Chairman, Appropriations Subcommittee on the Interior
2234 Rayburn HOB
Washington, D.C. 20515

Dear Sidney:

As per our conversation and past correspondence, I am enclosing a letter from Russell Dickenson, Director, National Park Service, that I thought you might find interesting.

Following my trip to the FDR home on February 20th, I will brief you on our findings.

Sincerely,

Ham

Hamilton Fish, Jr.
Member of Congress

HF:mk
enclosure

United States Department of the Interior

NATIONAL PARK SERVICE
WASHINGTON, D.C. 20240

IN REPLY REFER TO:

B22(220)

FEB 17 1982

RECEIVED
FEB 17
WASHING

Honorable Hamilton Fish, Jr.
House of Representatives
Washington, D.C. 20515

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Be assured of our desire to move as quickly as possible on restoring and reopening this important historic site for the use and inspiration of the American people. If I can be of further assistance, please let me know.

Sincerely,

Russell E. Dickenson

Director

The Speaker's Rooms
U.S. House of Representatives
Washington, D.C. 20515

9 February 1982

The Honorable Sidney Yates
US House of Representatives
Washington, DC

Dear Sid:

Enclosed is copy of correspondence I recently received from Franklin D. Roosevelt, Jr., which is self-explanatory.

I acknowledged his letter and told him I would turn the matter over to you to see if we can get moving on it.

With best wishes.

Sincerely,

Tip

Thomas P. O'Neill, Jr.
The Speaker

TPO/ek

FEB 02 1982

CLOVE CREEK FARM
POUGHQUAG, NEW YORK 12570

January 29, 1982

The Honorable Tip O'Niel
Speaker of the House
House of Representatives
Washington, D.C. 20515

Dear Tip:

I have just sent the following telegram to President Reagan. I hope that you will agree with my suggestion and take such action as is necessary to quickly implement the proposal.

With warm regards,

Sincerely,

Franklin
FRANKLIN D. ROOSEVELT, JR.

FDRJr:lln

FRANKLIN D. ROOSEVELT, JR.

As the member of the Roosevelt family who is staying in Dutchess County, New York for the Hyde Park, January 30th centennial celebrations, including the wreath-laying ceremonies at the grave in the Rose Garden, Governor Carey's commemorative address on the steps of The House, whose top two floors were gutted by fire on the night of January 23rd, and the Postmaster General's ceremony issuing the new F.D.R. centennial 20¢ stamp, I strongly urge you to immediately request approximately three million dollars in a Congressional appropriation for the complete restoration of the National Historic Site known as the Franklin D. Roosevelt Home. The U.S. Government has owned this 185 acre property since my mother, my sister, my brothers and I deeded it to the U. S. Government in the Summer of 1945. The House, grounds, and F.D.R. Library are visited by more Americans each year than all other Presidential homes an libraries combined.

This restoration should not be done by private subscription, since it is clearly and entirely the responsibility of the Federal Government as owner which, I am sure, you will recognize and take all necessary steps to achieve as quickly as possible, so that the American people, once again, will be able to visit this historic house and pay tribute at the grave of the President who led our country so gallantly through depressi and to victory in war.

Sincerely yours,

Franklin D. Roosevelt Jr.
FRANKLIN D. ROOSEVELT, JR.

FDRJr:lln

HONORABLE MARGARET M. HECKLER
TESTIMONY SUPPORTING THE OFFICE OF SPECIAL COUNSEL
BEFORE THE SUBCOMMITTEE ON INTERIOR AND
RELATED AGENCIES
COMMITTEE ON APPROPRIATIONS
13 MAY 1982

THANK YOU, MR. CHAIRMAN, FOR THIS OPPORTUNITY TO TESTIFY BEFORE YOUR COMMITTEE TODAY ON A VERY IMPORTANT CONSUMER ISSUE. I AM REFERRING TO BILLIONS OF DOLLARS OWED AMERICAN ENERGY CONSUMERS THAT ARE NOT BEING DELIVERED; AND IF THE DEPARTMENT OF ENERGY (DOE) BUDGET BEFORE YOU IS PASSED INTACT, THE CHANCES OF AMERICANS GETTING ANY MORE OF THEIR MONEY BACK WILL DISAPPEAR.

LET ME BACK UP A LITTLE BIT, MR. CHAIRMAN, TO PROVIDE SOME NECESSARY BACKGROUND. THE EMERGENCY PETROLEUM ALLOCATION ACT OF 1973 ESTABLISHED THE OFFICE OF SPECIAL COUNSEL WITHIN THE ECONOMIC REGULATORY ADMINISTRATION. THE SPECIAL COUNSEL, ALONG WITH THE OFFICE OF HEARINGS AND APPEALS, IS RESPONSIBLE FOR COMPLIANCE AND ENFORCEMENT ACTIVITIES NECESSARY TO COLLECT FINES AND PENALTIES FROM OIL COMPANIES IN VIOLATION OF THE ACT.

THE CONCEPT, I BELIEVE, IS A GOOD ONE -- WHERE OIL COMPANIES OVERCHARGE THEIR CUSTOMERS, THEY SHOULD BE REQUIRED TO REFUND THAT OVERCHARGE. UNFORTUNATELY, AS OF TODAY, ONLY $500 MILLION HAS BEEN COLLECTED ON AN AMOUNT ESTIMATED BY DOE THAT RANGES BETWEEN $11 AND $14 BILLION.

THE REASON I HAVE COME BEFORE YOU TODAY MR. CHAIRMAN, IS TO ENCOURAGE YOUR COMMITTEE TO PROVIDE ADDITIONAL FUNDING FOR THE OFFICE OF SPECIAL COUNSEL AND THE OFFICE OF HEARINGS AND APPEALS. THESE TWO OFFICES MUST BE FULLY FUNDED IF THE CONGRESS IS TO EXPECT THE SUCCESSFUL COLLECTION AND PROPER DISSEMINATION OF BILLIONS OF DOLLARS OWED THE FEDERAL GOVERNMENT. IN THE CURRENT BUDGET PROPOSAL, THE FUNDING FOR THE SPECIAL COUNSEL WOULD BE REDUCED BY MORE THAN HALF OF THE FY 1982 BUDGET, AND THE HEARINGS AND APPEALS BUDGET IS HALF WHAT IT WAS IN FY 1982. IF YOUR COMMITTEE ACCEPTS THESE REDUCTIONS, DOE'S ABILITY TO MAKE AGGRESSIVE AND THOROUGH COLLECTION EFFORTS WOULD BE SEVERLY CURTAILED.

ON APRIL FIRST OF THIS YEAR I INTRODUCED H. RES. 425, WHICH EXPRESSES THE SENSE OF THE HOUSE THAT THE PRESIDENT SHOULD TAKE ALL POSSIBLE ACTIONS TO COLLECT THE AMOUNT OF ANY OVERCHARGE RESULTING FROM PETROLEUM PRICING VIOLATIONS UNDER THE EMERGENCY PETROLEUM ALLOCATION ACT AND TO ENFORCE RELATED ORDERS, RULES, AND REGULATIONS.

THIS RESOLUTION, ALONG WITH A CONSTANT FUNDING LEVEL PROVIDED BY THIS COMMITTEE, WILL ENSURE A SUCCESSFUL AND EFFICIENT COLLECTION PROGRAM BENEFITING THE AMERICAN CONSUMER. WITH ENERGY PRICES ON THE RISE AGAIN, I WOULD URGE THIS COMMITTEE TO PROVIDE THE OFFICE OF SPECIAL COUNSEL THE FUNDS NECESSARY FOR A STRONG PROGRAM.

BECAUSE OF THE POOR PERFORMANCE OF THIS PROGRAM, PRIMARILY DUE TO THE MANNER THE SPECIAL COUNSEL'S OFFICE WAS SET UP (BY MANAGEMENT DIRECTIVE), AND FROM A LACK OF CLEAR CONGRESSIONAL INTENT, I SUBMITTED LEGISLATION LATE LAST YEAR TO CLEAR THE BOTTLENECK.

THE "LOW INCOME ENERGY ASSISTANCE TRUST FUND ACT" SOLVES THE PROBLEMS OF HOW VIOLATIONS WILL BE IDENTIFIED, COLLECTED, AND USED IF AN INJURED CONSUMER CANNOT BE IDENTIFIED. THIS LEGISLATION, WHICH HAS OVER 40 COSPONSORS, SETS UP THE MECHANISM FOR ALL OF THE FUNCTIONS THAT HAVE BEEN SO BADLY HANDLED UNDER THE PRESENT MANAGEMENT DIRECTIVE AND FURTHER PROVIDES FOR OVERSIGHT BY THE CONGRESS AND THE COMPTROLLER GENERAL. IT WOULD ESTABLISH A FUND, FINANCED FROM THESE VIOLATIONS, TO BE USED TO PAY FOR LOW INCOME ENERGY ASSISTANCE AND WEATHERIZATION PROGRAMS AS AUTHORIZED BY CONGRESS. PASSAGE OF THIS BILL WOULD TAKE THE GUESSWORK OUT OF THE OFFICE OF SPECIAL COUNSEL AND SUPPLEMENT TWO VERY WORTHWHILE ENERGY ASSISTANCE PROGRAMS.

PASSAGE OF MY BILL WOULD ANSWER THE QUESTION OF WHAT IS TO BE DONE WITH THE MILLIONS OF DOLLARS ALREADY COLLECTED BUT STUCK IN ESCROW. THIS MONEY WOULD BECOME THE NUCLEUS OF A FUND TO BE AUTHORIZED BY CONGRESS FOR LOW INCOME ENERGY ASSISTANCE AND WEATHERIZATION FOR THE TRULY NEEDY AND ESPECIALLY THE ELDERLY.

Mr. Chairman, I would also like to take this opportunity to encourage your committee to continue its strong support for a strong MHD program.

During the past year, major advances in MHD development have occurred in various MHD centers throughout the country including the Avco Everett Research Laboratory, Inc. in Massachusetts. There, a 1000-hour long duration generator test was completed under conditions that would exist in a commercial MHD power plant. Additional component evaluation projected an 8000-hour lifetime which meets utility requirements. MHD generation would fill several important national goals. The highly efficient MHD power plants would enable us to use coal, our most abundant energy resource, thereby reducing our dependence upon foreign oil while conserving our domestic supplies. MHD power plants have highly efficient pollution control mechanisms which would have a very positive impact upon the acid rain problem.

In April the MHD Industrial Forum published a report to the Congress in which senior executives and university professors who are recognized leaders in the electric utilities, gave their views on the importance of MHD and the need for an aggressive development program. The evidence

SUPPORTING A CONTINUING MHD DEVELOPMENT PROGRAM IS OVERWHELMING AND THE APPROPRIATIONS COMMITTEE IS TO BE COMMENDED FOR REJECTING DOE'S TERMINATION PLAN. THE COMMITTEE IS ALSO TO BE COMMENDED FOR RECOMMENDING A REJECTION OF THE DEFERRAL PACKAGE AND REMINDING DOE THAT THE CONGRESS, NO LESS THAN THE EXECUTIVE BRANCH, HAS A RESPONSIBILITY FOR INSURING THAT THE NATION HAS AN ADEQUATE ENERGY PROGRAM.

MARGARET M. HECKLER
U.S. REPRESENTATIVE
10TH DISTRICT, MASSACHUSETTS

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WELLESLEY, MASSACHUSETTS 02181
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POST OFFICE BUILDING
FALL RIVER, MASSACHUSETTS 02720
[illegible]

P

Congress of the United States
House of Representatives
Washington, D.C. 20515

JOINT ECONOMIC COMMITTEE
INVESTMENT, JOBS AND PRICES SUBCOMMITTEE
AGRICULTURE AND TRANSPORTATION SUBCOMMITTEE

VETERANS' AFFAIRS COMMITTEE
EDUCATION, TRAINING AND EMPLOYMENT SUBCOMMITTEE
HOSPITALS AND HEALTH CARE SUBCOMMITTEE

SCIENCE AND TECHNOLOGY COMMITTEE
SCIENCE, RESEARCH AND TECHNOLOGY SUBCOMMITTEE

CONGRESSWOMEN'S CAUCUS, CO-CHAIR

April 26, 1982

RECEIVED
APR 28 1982
APPNS. CMTE.

Hon. Jamie L. Whitten, Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C.

Dear Jamie:

It is my understanding that the Appropriations Committee has reserved one day of testimony for members of Congress on the Department of Energy's (DOE) budget. A particular proposal within the DOE budget is so vital to the success of important legislation I have introduced that I am requesting time for testimony on the issue.

The Office of Special Counsel (OSC) within the Economic Regulatory Administration is responsible for compliance and enforcement activities necessary to collect fines and penalties from oil companies in violation of the Emergency Petroleum Allocation Act of 1973. A fully funded OSC is crucial to the successful collection and proper dissemination of billions of dollars owed the federal government. In the current budget proposal, the funding for compliance and enforcement activities in OSC would be reduced by more than half of the FY 1982 budget. If your committee accepts this reduced amount, OSC's ability to make aggressive and thorough collection efforts would be severely curtailed.

On December 16, 1981, I introduced H.R. 5290, the Low-Income Energy Assistance and Weatherization Trust Fund Act, which provides that outstanding petroleum company overcharges owed the federal government be made available for low-income energy assistance and weatherization. Strong compliance and enforcement capability within the OSC is vital to the success of this legislation.

For this reason I would like the opportunity to testify on this most important budget matter.

Sincerely,

Margaret
MARGARET M. HECKLER
Member of Congress

MMH/Rmb

ltr ack.
5/3/82
ap

THURSDAY, MAY 13, 1982.

DEPARTMENT OF ENERGY

STRATEGIC PETROLEUM RESERVE, ENERGY INFORMATION AND EMERGENCY PREPAREDNESS

WITNESS

HON. PHILIP R. SHARP, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA

Mr. **McDADE**. We are pleased to welcome before the committee our distinguished colleague, Mr. Phil Sharp.

Phil, your statement will of course be a part of the record. You are welcome to proceed in your own way.

Mr. **SHARP**. Mr. Chairman, I appreciate the fact that the subcommittee has been very attentive to the energy problems we face. I hope you will continue that practice during consideration of this year's appropriations.

My subcommittee agreed last year with the administration that we could fruitfully cut Department of Energy funds in a number of areas but we were concerned about deep cuts in the area of energy information gathering. We were concerned about cutting back money available for planning, particularly contingency planning, especially as people are being lulled into a false sense of security by current low energy prices and reduced demand because of the economic problems.

In fact, our oil companies are drawing down their stocks, and inventories of oil are being sharply reduced by industry putting us back in a position not unlike where we were in 1979 when an interruption in the Middle East was quickly felt. I would hope we would not get so lax as to fail to carry out essential planning and information gathering.

We must try to keep moving forward on our basic plans for the Strategic Petroleum Reserve. The Administration asks to defer for 1 year the development of permanent storage. They hope to get back to it the next year. We fear that, in fact, 1-year's delay will cost us greatly because of the long lead time needed to create new permanent storage. We will have, we fear, lost a major opportunity.

Also, in terms of the Reserve, we would like the Appropriations Subcommittee to mandate a 300,000 barrel-a-day fill rate. There is some dispute going on now in our authorizing committee over that, and it does take an appropriation from you, whatever our action. As you know, we engaged last year in putting that whole thing off budget which still requires action by you but escapes the Budget Committee. My understanding is that soft oil prices available now make putting off or sharply reducing oil purchases foolish from a national security point of view.

I would just like to summarize my statement that way and indicate to you that I do thank you for your attention to these matters.

[The statement of Mr. Sharp follows:]

Statement of
Honorable Philip R. Sharp
before the
Subcommittee on Interior
of the
Committee on Appropriations
May 13, 1982

Mr. Chairman, I appreciate the opportunity to testify today on three vital and essential components of our Nation's energy emergency preparedness efforts, and I applaud you and the Members of the Subcommmittee for your continued attention to this need. As you are well aware, the Subcommittee on Fossil and Synthetic Fuels has jurisdiction over three important aspects of the nation's emergency preparedness efforts--the Strategic Petroleum Reserve, the Energy Information Administration and the Emergency Preparedness section of the Office of Environmental Protection, Safety and Emergency Preparedness.

The Subcommittee has paid particularly close attention to the operations of these programs, and earlier this year we held hearings on the Administration's proposed Fiscal Year 1983 budget. Personally, I am concerned that the budget cuts proposed by the Administration will have a serious effect on our Nation's ability to handle future energy emergencies. I have prepared a detailed evaluation of these programs, which follows, in order to assist your Subcommittee during your deliberations in preparing the Fiscal Year 1983 Appropriations bill.

The Administration budget request clearly supports their stated policy of allowing the private sector to anticipate and prepare for disruptions in energy supplies. Further, the Administration assumes that market forces will be adequate as the mechanism for handling such disruptions, with a drawdown of the Strategic Petroleum Reserve as the only potential government action. As a result, the focus of emergency preparedness will be shifted from plans to mitigate the effects of these disruptions to a program, not yet proposed, which maximizes market response and the removal of disincentives for private self-help measures. There is no room in the budget request or in the program for any measures to supplement market forces in the event of a truly severe oil shortage. Congress has, with large bipartisan majorities, voted to maintain at least the possibility of a more activist approach, unwilling to trust the economy of the Nation, without alternative, to a free market in the event of a crisis. The budget requests of the Administration preclude all but the market approach to an energy emergency.

In September, 1981, the General Accounting Office documented the lack of U.S. emergency contingency planning efforts in its study entitled, "The United States Remains Unprepared for Oil Import Disruptions." The GAO study states: "The U.S. government is almost totally unprepared to deal with disruptions in oil imports. Oil import disruptions--such as the 1973 oil embargo and the 1979 Iranian shortfall--pose a significant threat to national security, and the lack of effective contingency planning and program development to date is serious and requires immediate attention."

In January of this year, the Fossil and Synthetic Fuels Subcommittee requested that the GAO update this report, taking into account the FY'83 budget request that the Administration had submitted. The updated report concludes that the proposed budget will exacerbate the problems outlined in their earlier study. As was indicated by GAO, the Administration appears to have chosen to abandon or greatly reduce efforts to develop a surge oil production capacity, to develop an SPR drawdown plan, to investigate private oil stock management plans, to develop programs of domestic demand restraint and fuel switching, and to maintain a credible international emergency preparedness capability, all of which are entirely consistent with their own market-oriented strategy.

Although present world oil market conditions appear to augur favorably for the consuming nations over the short term, continuing political instability in the Mideast makes it essential for the United States to expand upon efforts to prepare for energy related crises. Unfortunately the current surplus of petroleum supplies appears to be lulling the United States into a false sense of energy security. We have paid the price of being caught unaware in the past; we should not allow ourselves to pay that price again. For example, the GAO study points out that a 3 million barrel per day shortfall in 1984 would cost the economy over $200 billion, a 15 percentage point increase in the inflation rate, and 2.5 million jobs.

The three emergency preparedness activities should be viewed as a seamless web. First, there is a need for a variety of contingency plans which can be implemented in a very short time. Second, as part of any set of mitigation efforts, the utilization of the Strategic Petroleum Reserve can be the quickest and most efficient way to reduce the shortfall. It is essential that we not only have appropriate plans for withdrawal of the oil from the Reserve but that we have sufficient oil in the Reserve. Finally, a comprehensive emergency preparedness program cannot exist without reliable energy information, and it is essential that the energy data programs to provide information for use in energy emergencies and the assessment of market trends during non-crisis times remain intact. It is my opinion that the recommendations contained herein provide sufficient funding and staffing to handle the intent of Congress in these areas.

The cuts proposed by the Administration for these three programs are as follows:

- the Strategic Petroleum Reserve off-budget account (oil acquisition) would be cut by 48%--from the 1982 appropriation level of $3.7 billion to $2.1 billion;

- the Emergency Preparedness budget excluding the Strategic Petroleum Reserve would be cut by 47%-- from the 1982 appropriation level of $10.2 million to $5.4 million;
- the Energy Information Administration budget would be cut by 30% -- from the 1982 appropriation level of $78.9 million to $54.5 million.

I recommend a continuation of funding for these programs at the level appropriated for Fiscal Year 1982. This level reflects the Congress' attempts to retain balance in our Nation's energy programs while recognizing the need to reduce overall spending.

I. EMERGENCY PREPAREDNESS

Budget History of Emergency Preparedness Program

	FY 1981 ACTUAL	FY 1982 ESTIMATE	FY 1983 REQUEST	FY 1983 RECOMMENDED
Appropriation ($000,000)	12.9	10.2	5.4	10.2
Staff Years	107	94	72	94

Activities of the Emergency Preparedness Program

The activities which the Office of Environmental Protection, Safety and Emergency Preparedness is authorized to carry out relating to energy emergency planning include:

- o analysis of SPR distribution procedures;
- o study of financial and economic impacts of energy supply disruptions;
- o planning for and conducting energy emergency tests and exercises;
- o development of the emergency executive reserve program;
- o assessment of vulnerability of the Naval Petroleum Reserve and the Strategic Petroleum Reserve;
- o development of plans (including memorandum of understanding with the Department of Defense) to implement the Defense Production Act's requirements for insuring the availability of energy supplies for defense needs;
- o establishment of facilities to coordinate communications and operations during energy emergencies;
- o support of U.S. involvement in the International Energy Agency (IEA).

The Administration's budget proposal will result in a delay or indefinite postponement of the

-- development of surge oil production capability,

-- development of a Strategic Petroleum Reserve (SPR) drawdown policy,
-- institution of a private oil stock management program,
-- development of voluntary and mandatory demand restraint programs, (including working with the states) and
-- substantial curtailment of efforts in fuel switching programs and international emergency preparedness.

Recommendation for the Emergency Preparedness Program

Funding for energy Emergency Preparedness is included within the Department's Economic Regulation funding account. The authorization for the Economic Regulation account in Fiscal Year 1983, as included in the Reconciliation Act, is $88.5 million, of which I recommend that $10.2 million be allocated to energy Emergency Preparedness activities. Recognizing the need to reduce spending and the reduced regulatory requirements on DOE, I recommend that Economic Regulation should be funded at a level of $67.2 million but should include the full $10.2 million authorized for Emergency Preparedness.

The nature of energy Emergency Preparedness activities makes it highly desirable to keep in place an in-house planning and response capability. Funding should be at a level adequate to enable the Office of Emergency Preparedness to undertake or continue work on a variety of necessary contingency measures which would include:

a. development of a Strategic Petroleum Reserve (SPR) drawdown policy;

b. development of a private oil stock management plan and implementation program;

c. development of voluntary and mandatory demand restraint programs; and

d. development of a "fair sharing" system to ensure that no company is unfairly harmed or helped because of its participation in the International Energy Agency's Emergency Sharing System.

A. SPR DRAWDOWN POLICY

On October 31, 1979, DOE submitted to Congress an SPR distribution plan as required by the Energy Policy and Conservation Act.

The distribution plan was submitted at the height of the Iranian revolution when the potential for oil interruption was extremely likely. The plan was vague, flawed, and poorly conceived. The SPR distribution plan contained three methods for oil distribution:

(1) use of the crude oil buy/sell program;
(2) use of standby mandatory crude oil allocation program;
(3) use of any method which the Department might choose to use at the time of drawdown.

The authority for the buy/sell program, as well as the standby mandatory crude oil allocation program has lapsed, thereby effectively ruling out use of either of these methods. The Department is authorized to distribute SPR oil any way it wants during time of drawdown, yet it has not developed any specifics of how this would be achieved or shared its planning options and progress with the Congress.

The Department considers this blanket authority necessary to maintain flexibility. Many private observers disagree and refer to the Department's current posture as a lack of planning, epitomized by nearly total indecision. A new plan is necessary to ensure that the option of using the SPR in a crisis, preferred by the Reagan Administration over all other options, is actually feasible. If a crisis occurred today, it is not clear that SPR would be an easily usable emergency tool.

B. PRIVATE OIL STOCK MANAGEMENT PROGRAM

Based upon the National Petroleum Council's (NPC) definition of minimum operating levels current crude oil and petroleum product stock levels represent over 200 million barrels of "excess" crude and product at the primary level that could be available for redistribution during an energy emergency. Therefore, these private stocks could prove useful in providing a means for mitigating the impacts of an oil shortfall.

With the exception of an estimate made by the NPC, that indicated gasoline and distillate fuel oil could comprise as much as the 60 percent of the primary levels for these two products, there is little accurate knowledge of precisely what quantity of stocks might be available during an emergency. The Department of Energy's Office of Energy Contingency Planning completed a draft inventory management plan in January of 1981. This draft document acknowledged that the Department would have difficulty implementing a private stock management plan due to problems in collecting reliable data on a company by company basis, monitoring the flows of these stocks and designing the appropriate information systems.

Since the potential mitigative value of a private stock management plan appears to be nearly equal to that of the Strategic Petroleum Reserve, the Department should take advantage of the current soft market to design these information systems and to make them operational. The Assistant Secretary for Environmental Protection, Safety and Emergency Preparedness should work with the Administrator of the Energy Information Administration to achieve this end and if necessary arrange the transfer of funding for these information efforts. Finally, the

Department should develop the specific operational guidelines for this stock management program so that it could be one more arrow in our quiver for managing the impact of an energy shortfall.

C. DEMAND RESTRAINT

Voluntary and mandatory demand restraint planning has been mandated by the Energy Policy and Conservation Act of 1975 (EPCA) and the Emergency Energy Conservation Act of 1979 (EECA). In addition, Article 5 of the International Energy Program (IEP) to which the U.S. is a party provides that "each participating country shall at all times have ready a program of contingent oil demand restraint measures enabling it to reduce its rate of final consumption in accordance with (activation of the international allocation system)."

Despite this, federal and state planning is almost non-existent and procedures for implementing the programs that do exist are completely inadequate. Under current authority, individual states have the primary planning role for energy emergencies and are required to submit demand restraint plans to the DOE upon Presidential declaration of an energy shortfall. EECA requires the DOE to have in place a Standby Federal Emergency Conservation Plan for implementation in the event that state plans fail to achieve the necessary level of conservation.

The Federal plan has never been completed and in February 1981 the Administration proposed withdrawing all but two of the proposed measures, effectively withdrawing the Federal government from its role in assisting the states and the nation to curtail demand for energy supplies during crises. This was down in spite of the estimate of the National Petroleum Council's study of U.S. emergency preparedness which identified potential savings through demand restraint programs of close to 1.4 million bbls/day. The effect of federal inaction in this area will be to increase substantially the severe negative effects of any petroleum cutoff.

While the IEA's definition of demand restraint is a broad one and encompasses the Administration's proposal to use price increases to achieve the necessary conservation, the short 21-day time limit for success initially ensures that price increases alone (given accepted estimates of the price elasticity of demand over the short term) will be an inadequate demand restraint device. Uncertainty over SPR drawdown leads one to the conclusion that wise planning dictates the immediate availability of other voluntary and mandatory demand restraint mechanisms to foster reduced gasoline and diesel fuel purchases, reduced jet fuel use, reduced industrial energy use, and reduced petroleum use by the residential and commercial sectors. While voluntary programs are to be preferred, mandatory programs should be available as a last resort, and the fact remains that both types require prior planning--an effort that the DOE has precluded by policy and budget decisions.

D. FAIR SHARING

The International Energy Program, to which the United States is a party, is the means by which the Western industrial nations have agreed to cooperate in response to severe petroleum shortages. Under the agreement, the United States participates in the Emergency Sharing System, the mechanism set up to allocate oil among IEP participants during such crises. The system as constructed depends upon the voluntary cooperation of the international oil companies due to their widespread network of facilities and their established experience in the global movement of petroleum. Without such cooperation it is doubtful that the oil consuming countries could respond cooperatively to allocate oil among themselves during shortfalls.

The concept of "fair sharing" refers to the distribution of oil among petroleum companies operating within a particular IEA country to ensure that no company is penalized or benefitted because of actions taken as a result of its voluntary participation in the Emergency Sharing System. Without such a program there is substantial doubt that the oil companies would agree to redirect oil supplies voluntarily during crises.

Responsibility for maintaining an effective program of "fair sharing" within the boundaries of a particular country rests with that country. In the United States, the Department of Energy's Office of Emergency Preparedness is charged with that duty. Despite the importance of such a program and the Administration's expressed desire to continue U.S. participation in the activities of the International Energy Agency, progress in devising a system of fair sharing has not been substantial. It is crucial for U.S. cooperation with its allies that such a system be capable of functioning quickly in an emergency.

The above four areas have been either expressly or implicitly targeted for elimination by the Administration. In addition, efforts to develop or continue programs of fuel switching and international emergency preparedness would be substantially curtailed under the Administration's budget request. These efforts could be supplemented with adequate appropriations. Consequently, it is my recommendation that the Appropriations Committee provide a funding level of $10.2 million for this effort and that there be 94 full-time equivalent staff years to carry out the work.

II. STRATEGIC PETROLEUM RESERVE

Budget History of Strategic Petroleum Reserve Office

	FY 1981 ACTUAL	FY 1982 ESTIMATE	FY 1983 REQUEST	FY 1983 RECOMMENDED
Off-Budget Appropriation ($000,000)*		3684.0	2074.0	3684.0
On-Budget Appropriation	3332.7	191.4	242.1	366.3

*In FY 1982 SPR oil acquisition costs were taken off-budget.

Activities of the Strategic Petroleum Reserve Office

At the end of Fiscal Year 1981 the Strategic Petroleum Reserve had in storage a total of 199.3 million barrels of oil. At the Administration's projected fill rate of 185,000 barrels per day, the SPR will have 267 million barrels in storage by the end of FY 1982.

The projected fill rate of 185,000 barrels per day is the rate at which additional storage capacity is becoming available in the salt caverns in the Texas/Louisiana coast. In the Omnibus Budget Reconciliation Act of 1981, Congress found that enlarging the capacity and filling of the SPR "should be accelerated (to the extent technically and economically practicable) to take advantage of any increased availability of crude oil in the world markets from time to time."

Recommendations for the Strategic Petroleum Reserve

Given the current soft crude oil markets, I recommend continuing acquisition at the 300,000 barrel per rate during both FY 1982 and FY 1983. I recognize that this would require the renting of additional interim storage facilities. The estimated costs for rental facilities range from $2 to $3 per barrel per year. The cost for the interim rental storage could come from the existing off-budget oil acquisition account. The additional storage cost should be considered in light of 1) the increased energy security resulting from a larger Reserve, and 2) the lower oil purchase costs when prices return to or rise above previous levels.

The recommendation to increase the fill rate to 300,000 barrels per day is a restatement of previous Congressional intent expressed in the Omnibus Budget Reconciliation Act of 1981. This would require an appropriation of $3.684 million in FY 1983. The Federal Government should take full advantage of the current surplus and low spot prices in world oil markets as soon as possible. There is no certainty that the current soft market will continue for an indefinite period. Therefore, the Administration should take all necessary steps immediately to lease interim storage and purchase additional oil.

I also recommend an appropriation of $366.3 million for the on-budget SPR account. The purpose of this portion of the SPR funding is to expedite expansion of Phase III capacity in order to avoid the extended expense of long-term use of interim storage.

III. ENERGY INFORMATION ADMINISTRATION

Budget History for the Energy Information Administration

	FY 1981 ACTUAL	FY 1982 ESTIMATE	FY 1983 REQUEST	FY 1983 RECOMMENDED
Appropriation ($000,000)	90.4	78.9	54.5	78.9
Staff Years	576	556	392	556

Activities of the Energy Information Administration

Energy emergency contingency planning involves more than just brainstorming about what a potential emergency may look like and establishing plans to handle that situation. Of equal importance is the provision of adequate and timely energy information during times of crises, an ability made possible only by continued data collection during normal times. Without adequate information on the location, volume and price of energy supplies, in conjunction with information regarding the demand for various products, it is virtually impossible to monitor and make policy decisions on how best to mitigate the shortfalls that may occur.

The Energy Information Administration (EIA) was designed by Congress to provide meaningful, timely, and accurate energy information to the Executive Branch, Congress, State Governments, and the public. EIA collects, processes, and interprets energy data, and exercises independent judgment in the gathering, analyses, and dissemination of information. EIA also provides essential energy data analyses and processing support to other energy programs, prepares regularly scheduled and special purpose analyses and short-term projections, and ensures the accuracy and validity of energy information.

Recommendation for the Energy Information Administration

Congress authorized $90.6 million for the Energy Information Administration for FY'83 in the Omnibus Reconciliation Act of 1981. I recommend that the Energy Information Administration appropriation be $78.9 million, providing for 556 full-time equivalent staff years. This recommendation reflects mere maintenance of programs in the Energy Information Administration at the Fiscal Year 1982 appropriations level. It does not allow EIA to carry out all Congressionally mandated functions that are not now being performed; an increase of about $1.9 million would be required for this purpose.

The Administration has justified their proposed reductions in the Energy Information budget in part by assuming adoption of proposed legislation, the "Energy Information Amendments of 1981". The bills, which were introduced in the Senate by request in May, 1981 and in the House in March, 1982, were designed to:

- eliminate the energy information and market monitoring requirements of the Emergency Conservation Act of 1979;
- eliminate the financial reporting system, a data collection and analysis system to assess the vertical investment of major energy companies;
- eliminate several Congressionally mandated reports such as the Energy Information Administration annual report to Congress, which provides the largest single compilation of energy data in mid- and long-term analyses.

No action on the bills has been planned in either body, so savings based on this legislation should not be assumed.

As in the case of Emergency Preparedness, it is highly desirable to ensure that appropriate in-house staff be kept in place and that sufficient in-house planning and response capability be maintained. The EIA has already experienced significant personnel cuts and a concomitant loss in institutional knowledge. Additional cuts in the personnel levels would not only eliminate of the institutional knowledge that has existed but will also require that a majority of EIA's work be done on contract outside of the direct control of the Administrator of EIA. This could lead to a situation similar to that experienced from 1975 through 1977, when the Congress constantly questioned the validity and reliability of the data which it received.

Any diminution in the Department's ability to provide information will increase the potential for deepening the impact of an emergency by making more probable ill advised and uninformed decisions. The proposed cuts in the Energy Information Administration budget, in my opinion, would result in such a consequence.

I trust that you will find these recommendations useful in the appropriations deliberations.

TALKING POINTS APPROPRIATIONS SUBCOMMITTEE HEARING

The Fossil and Synthetic Fuel Subcommittee has authorizing jurisdiction over three aspects of the Nation's energy emergency preparedness efforts:

- Strategic Petroleum Reserve;
- Energy Information Administration; and
- Emergency Preparedness (planning and implemention).

In general I recommend that the Energy Programs under your jurisdiction be funded at the same level as appropriated in FY 1982. My recommendations for Emergency Preparedness programs are consistent with that general approach, with a slight increase of $175 million to account for facilities costs associated with the higher SPR fill rate. This could be offset by an equivalent decrease in the Fossil Fuels R&D programs.

In sum, these are critical programs. There will be another energy crisis as a result of our continued dependence on imports from the volatile Mideast; the only question is when. Even at the levels I am recommending, the Administration will have to make program cuts and adjustments to account for inflation; further cuts would be dangerous.

The current soft market for oil supplies and slackened demand result from:

- decreased demand due to conservation; and
- world wide economic recession.

This soft market will not last indefinitely, and the U.S. cannot afford to be lulled into a false sense of security. According to a study done for our Subcommittee by GAO, a 3 million barrel per day shortfall, which could result from a major war in the Mideast, would result in:

- a $200 billion negative impact on U.S. GNP in the year following its occurrence;
- a 15 percentage point increase in inflation rate; and
- the loss of 2.5 million jobs.

Therefore, there is a need for:

- a variety of contingency plans which can be implemented quickly;
- sufficient oil in the SPR and appropriate SPR distribution plans; and
- reliable information on which to base decisions during an emergency.

EMERGENCY PREPAREDNESS

DOE must have an in-house planning and response capability to:

- develop SPR drawdown options;
- develop a private oil stock management and implementation program;
- develop voluntary and mandatory demand restraint programs; and
- develop a "fair sharing" system to ensure no company or region is\unfairly harmed or helped because of participation in the International Emergency Sharing System.

I recommend $10.2 million in funding for these Emergency Preparedness activities, the same amount that was appropriated in FY 1982.

STRATEGIC PETROLEUM RESERVE

The U.S. must take advantage of the current soft market and lower crude oil prices in filling the SPR. This would require the use of interim storage facilities at a cost of $2 to $3 per barrel per year, but this is offset by the added security which this action would provide and the likelihood that future oil prices will be higher. Thus,

- SPR fill rate should be 300,000 barrels per day;
- 1983 off-budget appropriation should be $3.684 billion, as was authorized in the Omnibus Budget Reconciliation Act of 1981; and
- on-budget appropriation should be $366.4 million to expedite expansion of Phase III storage capacity.

ENERGY INFORMATION

The EIA should continue to provide Congress and the Nation with:

- meaningful, timely and accurate energy information in time of emergency;
- analysis and dissemination of data independent from the policy operations of DOE; and
- a mechanism to ensure the validity of energy information used for decisionmaking and public confidence in it.

It is highly desirable to ensure that appropriate in-house staff be kept in place in EIA and that sufficient in-house planning and response capability be maintained. Therefore, I recommend

- $78.9 million be appropriated in FY 1983, the same as appropriated in FY 1982; and
- your Committee develop report language recommending that there be 556 full-time staff years in the EIA.

I have prepared a more detailed anlaysis of these recommendations which I would like to insert in the hearing record. Thank you for this opportunity.

Mr. McDade. We thank you very much for taking time to come in. We value your testimony very much and it will be given very great consideration.

Thursday, May 13, 1982.

FOREST SERVICE

WITNESS

HON. DON ALBOSTA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MICHIGAN

At this point we will insert into the record the statement of Congressman Don Albosta, who was detained on the Floor.

[The statement of Mr. Albosta follows:]

TESTIMONY OF CONGRESSMAN DON ALBOSTA
BEFORE THE
SUBCOMMITTEE ON THE INTERIOR
OF THE
APPROPRIATIONS COMMITTEE
MAY 13, 1982

MR. CHAIRMAN, THANK YOU FOR THE OPPORTUNITY TO TESTIFY TODAY. I WILL MAKE MY REMARKS BRIEF AND,WITH PERMISSION, PROVIDE ADDITIONAL DETAILS IN WRITING IN THE NEXT SEVERAL DAYS.

THE FOREST SUBCOMMITTEE HELD A HEARING IN MY DISTRICT, IN MT. PLEASANT MICHIGAN ON APRIL 5TH. IN THAT HEARING AND AT A PREVIOUS HEARING IN JULY 1981 WHEN WE REVIEWED A GAO REPORT ON WASTE WOOD FOR ENERGY AND OTHER USES, WE LEARNED OF THE VAST POTENTIAL FOR JOBS, ENERGY, INCOME TO RURAL AREAS, AND ALL AROUND BETTER FOREST MANAGEMENT THAT IS JUST WAITING TO BE REALIZED THROUGH BETTER USE OF WOOD RESIDUE AND BETTER MANAGEMENT.

IN MICHIGAN,THE DNR HAS ESTIMATED THAT WE WASTE ENOUGH WOOD EVERY YEAR TO HEAT ALL THE HOMES IN THE NORTHERN TWO THIRDS OF THE STATE. MICHIGAN STATE UNIVERSITY HAS DEVELOPED A PROCESS THAT CAN PRODUCE ETHANOL FROM WOOD AND LEAVE BY PRODUCTS THAT ARE VALUABLE AND IN BETTER CONDITION THAN ANY OTHER PROCESS KNOWN.

THE RURAL FORESTRY ASSISTANCE PROVIDED THROUGH THE STATE AND PRIVATE FORESTRY PROGRAM CAN HELP NON INDUSTRIAL, PRIVATE FOREST OWNERS TO MANAGE THEIR FORESTS PROPERLY AND BEGIN TO MARKET SCRUB WOOD FOR ENERGY ANDOTHER USES.

THE TIMBER STAND IMPROVEMENT PROGRAM CAN DO THIS FOR FORESTS LIKE THE HURON-MANISTEE IN MY DISTRICT WHERE MICHIGAN GREEN THUMB HAS PROVIDED AND TRAINED UNEMPLOYED PEOPLE TO THIN PUBLIC AND PRIVATE FORESTS AND SELL THE WOOD,AT COST,TO THOSE QUALIFIED FOR LOW INCOME ENERGY ASSISTANCE.

FOREST RESEARCH FUNDS COULD BE PROVIDED FOR THE MICHIGAN STATE RESEARCH THROUGH THE FOREST PRODUCTS LABORATORY THAT HAS BEEN CONSIDERING OTHER PROCESSES BUT HAS NOT HAD THE CHANCE TO LOOK AT THIS NEW BREAKTHROUGH.

I SHOULD ALSO ADD THAT LACK OF FIRE CONTROL MONEY AND THE HIGH COST OF 50% MATCHING FOR OTHER PROGRAMS HAS THREATENED TO DESTROY ALL

THE GOOD WORK THAT HAS BEEN DONE IN STATES LIKE MICHIGAN THAT HAVE SO LITTLE MONEY THAT THEY CANNOT EVEN MATCH FUNDS AT 50% OR DO BASIC FIRE PROTECTION WORK. CHANGING THE FORMULA TO A 75% FEDERAL AND 25% STATE MATCH FOR THOSE STATES WITH RURAL UNEMPLOYMENT ABOVE 8% WOULD NOT COST MUCH AT ALL BUT WOULD PAY BACK VAST AMOUNTS IN INCREASED PRODUCTIVITY AND INSURED PROTECTION OF THE RESOURCE.

I WOULD LIKE TO PROVIDE THE SUBCOMMITTEE WITH A LETTER THAT YOU MAY HAVE ALREADY SEEN FROM A VERY BIPARTISAN GROUP OF CONGRESSIONAL WOOD ENERGY CAUCUS MEMBERS AND OTHERS. THIS LETTER SIMPLY SUPPORTS MAINTAINING AN ADEQUATE PROGRAM IN SEVERAL OF THESE AREAS AS THE AGRICULTURE COMMITTEE HAS RECOMMENDED.

THANK YOU AGAIN FOR THE CHANCE TO BE HERE TODAY AND TO PROVIDE ADDITIONAL INFORMATION ON THESE PROGRAMS. YOU WILL FIND THAT THERE IS HARDLY ANY PROGRAM THAT WILL PAY OFF BETTER IN TERMS OF JOBS AND PRODUCTIVITY BASED ON RENEWABLE RESOURCES THAN THESE. I URGE YOUR CONTINUED SUPPORT FOR THEM.

THANK YOU.

Congreſs of the United States
House of Representatives
Washington, D.C. 20515

The Honorable Sidney Yates
Chairman
Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB
Washington, D.C.

May 11, 1982

Dear Mr. Chairman:

As Members of the Congressional Wood Energy Caucus and others interested in biomass programs, we are writing about this year's budget. The work of the House Agriculture Committee in redirecting U.S.D.A. Forest Service spending to better support Timber Stand Improvement, which can enhance both the forests and fuelwood supply, wood energy research and demonstration, and technical assistance is worthy of your serious consideration.

These changes can be made by redistributing a portion of the more than $181 million increase in the Forest Service budget the Administration has proposed for Fiscal Year 1983.

Wood now eclipses nuclear in delivered energy. A 1980 report by the Congressional Office of Technology Assessment concluded that wood fuel could contribute up to 10 quadrillion BTU's by the year 2000 without disrupting the flow of raw material to the wood products industry. This would equal 10 to 20 percent of the country's projected energy needs but it can be done only with the proper Federal involvement. This involvement is needed to improve management of forest lands, to inform industrial and residential energy consumers, and to resolve questions of environmental effects.

The House Agriculture Committee has voted in its recommendation to the Budget Committee to redirect some increased FY83 funds to the following programs: Timber Stand Improvement, State and Private Forestry, Wood Residue Utilization, and Forestry Research. This change would help replace the loss of jobs and production caused by the slump in the construction industry. By adding $12.2 million to the Timber Stand Improvement (TSI) Program, the Forest Service can improve the productivity of the forests and increase the harvest of fuel wood at the same time while also providing immediate employment for many skilled and semi-skilled workers.

The General Accounting Office report issued in 1981 entitled, The Nation's Unused Wood Offers Vast Potential Energy and Product Benefits, recommended a much higher priority for wood residue management. The Forest Service could devote $5.5 million to implement the Wood Residue Utilization Act if the Agriculture Committee's recommendation of an additional $3.5 million shift can be implemented. Removing and using logging residue will help meet energy, employment, and environmental needs.

The Administration has proposed a cut in Forest Research of $12 million. Lack of forest research restrains productivity to the point where many of our forest lands are producing only a fraction of their potential for energy, timber, and other products. At least $11 million should be restored for forest research.

The State and Private Forestry Program helps to underwrite technical assistance for resource planning and management for private and state forests where the greatest potential for improved productivity and wood industry expansion exists. By restoring $12 million of the $16 million slated to be cut by the Administration, farm wood lots and state forests and other non-federal lands will continue to benefit from this program.

These programs are keys to providing a wood supply for direct combustion and conversion to gas and liquid fuels as well as other wood products. The vast potential for wood energy can be realized at a faster pace, in a way that is sensitive to environmental concerns, and in a way that creates local jobs and local revenue only if the Federal Government plays an appropriate role. An appropriation that includes the levels outlined above would help make that role possible in the next fiscal year.

We appreciate your consideration.

Sincerely,

Jim Jeffords

Jim Weaver
Jim Weaver

Sam Gejdenson

Olympia Snowe
Olympia Snowe

Claudine Schneider
Claudine Schneider

Bill Wampler
Bill Wampler

George E. Brown Jr.
George Brown

Don Albosta
Don Albosta

Berkley Bedell
Berkley Bedell

Barney Frank
Barney Frank

Frank Horton
Frank Horton

Dave Emery
Dave Emery

Tom Harkin
Tom Harkin

Charlie Rose
Charlie Rose

THURSDAY, MAY 13, 1982.

DEPARTMENT OF ENERGY

FOSSIL ENERGY

WITNESS

HON. MIKE SYNAR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OKLAHOMA

Mr. **McDADE**. Mr. Synar, welcome.

Mr. **SYNAR**. Thank you.

Mr. **McDADE**. Your statement will be a part of the record and you may proceed in your own way.

Mr. **SYNAR**. Thank you.

I appreciate the opportunity to appear before you today to discuss the future of the Bartlesville Energy Technology Center. Because my allotted time is short, I would like to summarize my testimony and provide the subcommittee with the full text for the Members and the hearing record. I have also included with my formal testimony some additional information on the Bartlesville Center which I believe will be of interest.

Mr. Chairman, I am sure you are aware that the Administration's plans for the Bartlesville Center in the next fiscal year are very much up in the air at this point. They have previously indicated to me their intention to close this highly successful facility—despite its recognition in this Nation and around the world as a leader in the energy technology research field. They have since indicated their view that the Center might be turned over or transferred to a non-Federal entity for continued operation. They may, in fact, attempt to reduce its existing personnel to a much lower level during the current fiscal year—a move which might result in the Center being nothing more than an empty shell on October 1.

Mr. Chairman, since I first wrote you about the Center's fiscal year 1983 funding situation, a new proposal for its continued operation has been put forward. It essentially would reestablish the Bartlesville Center as a National Institute for Petroleum Research, which would be chartered by Congress to perform petroleum research as a nonprofit corporation under joint Government and industry direction.

The proposal, which has been presented to the Oklahoma Congressional Delegation for consideration, would require legislative action. As now drafted, it would likely be referred to three House committees for consideration. My personal view is that the proposal, which represents a departure from traditional full-Federal funding, deserves consideration by the Congress.

Unfortunately, time is of the essence. There are currently 158 scientists, researchers, and support personnel at the Bartlesville Center. Their future is most uncertain. These are extremely qualified, highly respected professionals who have dedicated their talents and their careers to critical energy research work with national and international significance.

It would be naive to suggest that, facing continued uncertainty about their futures, these professionals would stay on at the Center through September 30.

In fact, it is more likely that without some timely and positive action by Congress which ensures fiscal year 1983 funding and a comparable personnel level, these professionals will begin to leave. This is true particularly in light of the fact that it is unclear at this point whether or not DOE intends to dramatically reduce its personnel level during the current fiscal year.

I hope the subcommittee shares my concern over the impact the Administration's actions would have on our national energy research efforts. The work conducted by the Bartlesville Center will become increasingly important in the years ahead. Because time is short, and the need to continue the Center's work is critical, I want to strongly urge the subcommittee to provide ample fiscal year 1983 funding, as well as direction to DOE to maintain the Center's personnel level throughout the year.

This latter request is extremely important, since DOE might be free to drastically reduce personnel at the Center—at which point, it wouldn't make any difference how much money had been appropriated. It is the people that make this Center what it is today and their loss would be a serious blow to our Nation's long-term energy research program.

Only by providing for continued operation of the Center in fiscal year 1983 without serious disruption, can we ensure that Congress and the Administration have adequate time to consider the alternative funding approach which has been put forward.

I want to thank you again for the opportunity to appear before you.

I just want to add as I close, that I speak on behalf of the entire Oklahoma delegation. We feel this Center is extremely important to our international and national energy program, and critical to the future of our energy research and development efforts.

[The statement of Mr. Synar follows:]

TESTIMONY OF CONGRESSMAN MIKE SYNAR OF OKLAHOMA BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR. MAY 13, 1982.

Mr. Chairman, Members of the Subcommittee:

I appreciate this opportunity to appear before you to discuss the future of the Bartlesville Energy Technology Center in Oklahoma.

As you know, the Administration's proposed FY83 budget request for the Fossil Fuels R&D function represents a dramatic reduction in funding from over $400 million this year to about $107 million next year. As a result of this drastic budget cut, Administration officials have informed me that it will be necessary to close or transfer three of the existing energy technology centers. Several months ago, Assistant Secretary Jan Mares informed me personally that it was DOE's intention to eliminate the Bartlesville Center as a government-funded facility. Although the Department has not chosen to keep me up-to-date on the status of the Bartlesville situation, from what I can learn, they are moving ahead in their attempts to locate a non-federal entity to take over the Center's operations by October 1st.

Mr. Chairman, as I have indicated in my letter to you, I believe the Administration's intention to close or transfer this highly successful and well-respected energy technology center is penny-wise and pound-foolish. It also represents bad energy policy for our nation.

The Bartlesville Center has been the government's leading petroleum research laboratory since 1918. The Center and its professionals are recognized the world over for their work in areas such as enhanced oil recovery and thermodynamics, to name just two.

As an indication of the growing importance of research work in the field of enhanced oil recovery, the annual EOR symposium which is jointly sponsored by the Bartlesville Center and the Society of Petroleum Engineers was attended this year by over 2,400 participants, including 168 representatives from 15 foreign countries. This tops last year's attendance record of 1,800.

The role of enhanced oil recovery -- as well as the other research fields explored by BETC -- will be ever more important as we move forward. To quote from an editorial on BETC in a recent industry publication, "The oil and gas contribution to future energy supply will be partly a function of how well new exploration and recovery methods are developed. Government can and should be a part of those developments." To quote further, "Certainly in the absence of federal petroleum research, private companies would continue their own efforts. But those efforts would be directed to the companies' own operations, and their objectives would be specific and commercial. Missing would be the basic research, aimed at national objectives, to reinforce the private effort. ... With future energy supply a matter of critical national concern, government has a legitimate part to play in basic energy research...It would be unfortunate if Congress decided to the contrary." I couldn't agree more.

As a Member who has taken an active role in helping develop a sound national energy policy for our citizens' future, I feel very strongly that one of the most important functions of government is a continued, concerted energy research effort directed primarily at long-term, high-risk technology. As you know, a primary facet of BETC's work is directed toward enhanced oil recovery -- a technology which has the potential to deliver this nation billions of additional barrels of crude oil, which would otherwise be left in the ground. This nation needs every bit of enhanced recovery capability we can develop, and that need becomes increasingly urgent -- not just for the United States, but for the world.

In this respect, I'm sure each of you are aware that the Bartlesville Center has been active in helping other nations develop their own research efforts, and has been able to share with other oil-producing countries their own research results in various energy technology fields. On behalf of the U.S. government, for instance, BETC has recently entered into several research agreements with the government of Venezuela to exchange scientific information relating to heavy oil recovery and processing. The Center is assisting Abu Dhabi in establishing its own Enhanced Oil Recovery Research Institute.

The Center plays an important research role in helping other government agencies and departments -- such as the Air Force, and the Environmental Protection Agency. It also does crude quality and compatibility testing for the Strategic Petroleum Reserve.

Because of its success in the energy research field, and our continuing need to develop advanced energy technologies, it is inconceivable to me that the Administration would consider closing this facility.

As you know, there is also consideration being given to a transfer of the facility to a non-federal entity for continued operation. As I stated in my letter to Chairman Yates, I have serious concerns over such proposals and I am convinced that if we were forced, for budgetary reasons, to pursue such a course of action, it would take many, many months to develop any acceptable plan for an outright transfer.

In this respect, I would like to bring to the attention of the Subcommittee an alternative proposal which has recently been put forward. Several months ago, Secretary of Energy James Edwards asked the Bartlesville Chamber of Commerce to explore all the alternative approaches which might be considered with respect to continued operation of BETC in one form or another. The Chamber has devoted an extraordinary amount of time and effort to this endeavor and they are to be commended for their work. Just last week, they presented the Oklahoma Congressional Delegation with an alternative approach which would basically re-establish Bartlesville as a National Institute for Petroleum Research. I am happy to provide the Subcommittee with a copy of their proposal at this time. This approach would require Congressional action on legislation which the Delegation will likely introduce in the near future.

Unfortunately, adoption of any such legislative proposal and establishment of any functional alternative facility would take time. In all probability, it simply could not be done by October 1st.

I, therefore, am appearing before the Subcommittee today, to request that you appropriate full funding for the coming fiscal year for BETC, as well as approval of a personnel level of 158 employees. In this way, the Bartlesville Center can continue its vital research work without disruption by way of adequate funding and a consistent personnel level. Approval of full funding and needed personnel by the Congress will then give the Delegation and the appropriate authorizing committees time to explore, develop and adopt an acceptable alternative approach for future operation of the Center. I must emphasize that if Congress chooses to explore such alternative proposals, it can not be done quickly. We can ensure continued operation of the Center in an acceptable manner only if the Center is provided FY83 funding and personnel.

I feel strongly that I must also emphasize at this point a critical problem being faced by the Center. Because of the uncertainty surrounding the status of BETC for FY83, the highly-qualified and dedicated personnel now working for the Center will begin to move elsewhere if they do not see a positive indication from Congress that the Center will be in existence on October 1st. Even more troubling is the possibility that the Department of Energy may begin personnel reductions at BETC and other technology centers before the new fiscal year commences. The Bartlesville Center is successful and well-respected, not because of its physical "shell", but because of its people. It would be a serious set-back to our energy research efforts at the national level if these people were lost.

They have dedicated their talents and their careers to this vital energy research effort, from which we have all benefited in the past. Just as important are the potential future benefits to be derived from their work in these essential technology fields. The closing of this facility could ultimately be far more costly to the nation in research not done than could ever hoped to be saved.

In conclusion, I want to strongly urge the Subcommittee to take prompt action to reject the Administration's proposal and provide the Center with the funding and personnel it needs to continue its work throughout Fiscal Year 1983. During that time, the Oklahoma Congressional Delegation, as well as the many other Members who share our concern over the Center, will be working to gain approval of an acceptable alternative approach for its continued operation beyond FY83.

Unless we act quickly and decisively, it is entirely possible that come October 1st the Department of Energy will have transferred this facility, or reduced it to nothing more than a "shell."

I thank the distinguished Chairman and my colleagues for this opportunity to appear before you, and I would like to submit for the record some additional information on the Bartlesville Energy Technology Center, which I have attached to my testimony.

MIKE SYNAR
2d District, Oklahoma

Committees:
Energy and Commerce
Judiciary

Government Operations

Select Committee
on Aging

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April 30, 1982

The Honorable Sid Yates
Chairman
Subcommittee on the Interior
House Appropriations Committee
Washington, D.C. 20515

Dear Mr. Chairman:

I was extremely pleased to learn that the full Appropriations Committee had rejected the Administration's request for a deferral of $44 million for DOE's Fossil Fuels Research and Development program, since the deferral would have adversely impacted continued operation of the Bartlesville Energy Technology Center. Despite the Committee's recent action, however, the Bartlesville Center is still very much jeopardized by the Administration's proposal for a drastic cutback in funding for the Fossil Fuels R & D function for Fiscal Year 1983. As a result of this proposed cut, the Administration is considering a move to close the Bartlesville Center (BETC) -- the federal government's lead petroleum research laboratory since 1918. I also understand that, alternatively, there may be consideration given to the possibility of turning this federal facility over to a private foundation, research institute, university, or for-profit entity prior to the beginning of the new fiscal year. These two alternatives have been put forward despite the Center's relatively modest funding level and the importance of its work in long-term, high-risk energy technology.

I support cutbacks in federal programs where such cuts can be justified. However, the proposal to close this highly worthwhile and successful technology center is not in the national interest. I am equally concerned over the prospects for success of any immediate attempt to locate a private entity to continue the center's operations.

As you know, the Bartlesville Center has a long and distinguished history of achievement in high-risk petroleum research. BETC is a critical facet of our nation's long-term energy research and development effort -- particularly in areas such as enhanced oil recovery, which will play a major role in domestic energy production in the future. All of the center's work, as well as the significant benefits which will be derived from its work, are now in jeopardy by the Administration's shortsighted proposal.

The results of the center's research have been and will continue to be invaluable not only for America's energy program but to energy producing countries around the world. In the United States, BETC's work has been particularly important to the independent petroleum sector, by acting as a laboratory for and advisor to the thousands of independents who have no laboratory resources at their disposal. While BETC is the lead lab for enhanced oil recovery research, its work also includes petroleum processing research, thermodynamics and petroleum utilization. Although these areas of research have been of vital importance to the independents, BETC's work has not gone unnoticed by the major oil companies who frequently request technical exchanges with the center's scientists.

I would like to bring to your attention some additional facts about the Bartlesville Energy Technology Center which are of importance to the federal government, to other foreign governments and to our domestic energy efforts:

- BETC provides crucial support for the Strategic Petroleum Reserve program by conducting comprehensive physical and chemical analyses of the crude oils acquired or considered for acquisition for SPR, including compatibility testing. BETC is also conducting research on the effects of long-term storage on crude oil. This testing ensures that the crudes will be ready to use if and when it becomes necessary to draw from the Reserve in a national emergency.
- BETC is conducting research necessary for the Environmental Protection Agency to fulfill its regulatory commitments in the area of handling and disposal of waste oils.
- BETC supports the United States Air Force by conducting fundamental studies of high energy/high density fuels related to missile propulsion.
- The center is assisting Abu Dhabi in establishing its own Enhanced Oil Recovery Research Institute.
- On behalf of the U. S. government, the center recently entered into several research agreements with the government of Venezuela to exchange scientific information relating to heavy oil recovery and processing.
- The scientific research pursued at the center in the area of thermodynamics is considered among the finest in the world today.
- The center sponsors or cosponsors dozens of workshops and symposia each year. For instance, in conjunction with the Society of Petroleum Engineers, in 1981 BETC sponsored its annual Enhanced Oil Recovery Symposium, which attracted almost 1,800 participants, including 147 representatives from 20 foreign countries.

These are just a few examples of the work being conducted at the Bartlesville center. There are currently over 100 scientists and researchers at the center -- some of the most qualified in the nation in the area of petroleum research. There is no question that these professionals could do far better in the private sector. Instead, they have dedicated their careers to this critical federal research effort. Unfortunately, they are now faced with an extremely uncertain future. There is no doubt that the professionals will begin to leave the center over the next few months if we do not act quickly to ensure an adequate funding level for fiscal year 1983 and, just as importantly, a personnel level which will guarantee continuation of the center's important research work. Even if, for budgetary reasons, we are forced to pursue the alternative approach of federal funding in conjunction with a private entity, we will need many, many months to work out the details of any acceptable agreement. (As an aside, I simply want to say that my personal view on this latter "proposal" is that it is unworkable from a policy standpoint, particularly if no agreement could be reached which would guarantee that all results of the center's research would be public information.)

The center has distinguished itself both here in the United States and abroad, and it is inconceivable to me that the Administration would propose closing this center on the one hand, while professing to support this type of long-term, high-risk research on the other hand. As just a few examples of the recognition which this center has received, I am enclosing for your review a number of letters from people familiar with petroleum research in the United States. These people, as you will note from their letters, are extremely concerned over any proposal to close the Bartlesville Center.

As a member of the House Energy and Commerce Committee, and three energy subcommittees, I have been continually concerned over the future path of our domestic and international energy policies. From the domestic energy standpoint, I firmly believe -- as do many, many other Members of Congress -- that we in the federal government must do everything possible to foster increased development of and reliance on domestic energy resources. The Bartlesville center's work in the area of enhanced oil recovery is a perfect example of the unique role which the federal government can play to support the private energy industry in getting the utmost from our domestic resources. I would like to quote a statement from the enclosed letter from Max Klein, Senior Scientist, Thermodynamics, Gas Research Institute, concerning the similar closing of the Bureau of Mines' Amarillo laboratory: "...the closing of the laboratory ultimately was more costly to the nation in research not done than was represented by the money saved." From an international standpoint, I am very much concerned over the future of our commitments to other nations, such as our contracts with the government of Venezuala, which I mentioned earlier.

Just to sum up my personal view of the situation, I believe the Administration's proposal to close this center, or turn it over to a private entity, is penny-wise and pound-foolish in the extreme. In addition, the drastic reduction in fossil fuels research and development activities proposed by the Administration for the coming fiscal year represents just one part of a seriously imbalanced energy program for our nation which the Administration continues to pursue, despite its rejection last year by the Congress.

The United States leads the world in energy technology research and development. Despite our significant achievements to date, many of which have resulted from the work conducted at BETC, this is no time to abandon our longstanding commitment to federal support for high-risk, long-term petroleum research. The future payback in increased petroleum production and utilization, which benefits all of our citizens, is well worth the modest appropriation we provide for this center.

As your Subcommittee moves ahead with consideration of the FY83 funding for DOE's Fossil Fuels Research and Development function, I want to strongly urge you to flatly reject this latest proposal for elimination or transfer of the Bartlesville Energy Technology Center and include adequate funding and personnel to ensure its continued operation as the federal government's leading -- and highly successful -- petroleum research laboratory.

Your consideration in this matter is most appreciated by the many of us in Congress who support this vital research facility and its dedicated personnel.

With warmest personal regards.

Sincerely,

Mike

MIKE SYNAR
Member of Congress

Enclosures

MS/saz

SECTION-BY-SECTION EXPLICATION OF THE BILL TO ESTABLISH A NATIONAL INSTITUTE FOR PETROLEUM RESEARCH

Sec. 101. States the findings by Congress emphasizing the importance to the nation of petroleum fuels, the need for continuing petroleum research especially in the areas of unrecovered light oil, heavy oil, synthetic fuels, and gas from unconventional sources.

Sec. 102. Describes the purpose of the Act, i.e., to provide an institutional framework for a long term petroleum research program. That institutional mechanism is the National Institute for Petroleum Research. The goals of the Act are also described and include creation of an Institute, mandating a national program for petroleum research, and maximizing the use of existing facilities and expertise at the research center in Bartlesville, Oklahoma.

Sec. 201. Establishes the National Institute for Petroleum Research and provides that it will be a non-profit entity.

Sec. 202. Provides that the Institute shall be under the guidance of a Board of Directors consisting of both Government and petroleum industry members with the Government members constituting a majority. Industry members are to be recommended by the National Petroleum Council and such recommendations are to fairly represent extraction, processing, and utilization aspects of the industry and consumer and environmental interests. Appointments will be by the President by and with the advice and consent of the Senate.

It is further provided that the Board may for nearly all its functions act through an executive committee. Industry members are appointed for four year terms except for two initial appointments for two year terms to provide staggered terms to insure continuity in the Board's activities.

Sec. 203. The Government members of the Board are designated the incorporators so that following enactment the Institute's articles may be filed expeditiously thereby reducing the period of transition to a minimum. Since the principal office and place of business will be in Bartlesville, Oklahoma, incorporation shall be in that state.

Sec. 204. Provides that the place of business and principal office shall be Bartlesville, Oklahoma, which is currently the Department of Energy Research Center with lead responsibility for liquid fossil fuel research.

Sec. 205. Directs that the Institute's employees shall not be Federal employees and requires that existing Federal employees at the Bartlesville Center be given preferential employment rights thus insuring the availability of their existing technical expertise.

Sec. 206. Provides that the Institute shall be under the day-to-day supervision of a Director who is an officer of the Institute. Positions for other officers may be described in the by-laws. Maximum compensation for the Director is at Level IV of the executive schedule i.e. generally the assistant secretary level. Also imposes Department of Energy conflict of interest standards on Institute employees.

207. Allows a seal for identification. Requires GSA to provide furniture and supplies to the Institute. Reserves the name "National Institute for Petroleum Research."

Sec. 208. Directs the Department of Energy to lease the Bartlesville facility and all equipment to the Institute for a nominal consideration. Provides that upon the expiration of the Institute's effective life, as determined by Congress, all property reverts back to the United States.

Sec. 209. Describes the general powers of the Institute. Key powers include authorization: to conduct research, to contract, to retain consultants, perform research for the United States, to hire and retain employees, to occupy federal facilities, and to disseminate information.

Sec. 301. This section requires the Institute to prepare and submit to its Board of Directors a plan for conducting funded research i.e., research funded by the United States. The Act sets forth six specific criteria by which the Board shall review the research plan. Especially important is the prohibition against research that would duplicate research of private organizations and the requirement that the plan be nationally oriented.

Sec. 302. Requires that the Institute conform to the policy direction provided by Congress and that the Institute be subject to Congressional oversight.

Sec. 303. Permits the Institute to conduct research with other-than-federal monies subject to approval by the Board and strictly confined to research which does not duplicate private research work.

Sec. 304. Requires that all funds and monies received by the Institute be placed in its Treasury Department Fund.

Sec. 401. Directs the Treasury to establish a Fund for the Institute. Provides that all Fund monies are available for disbursement by the Institute.

Sec. 402. Creates appropriate accounts in the Institute's Fund and a subaccount which parallels three existing subaccounts in 31 U.S.C. 555(b)(1) established by the Windfall Profit Tax Act (WPT). 31 U.S.C. 555(b)(1) is amended in two ways: (a) the existing Energy and Transportation subaccount percentage of Basic Net Revenue, which was to receive and annual allocation of 15 percent, is retained but assigned a percentage reduced from 15 to 14.20; (b) the new subaccount, National Institute for Petroleum Research, is added and is assigned .80 percent. The result of the these amendments is that each year Treasury will allocate .80 of the Basic Net Revenue from the WPT to the subaccount of the Institute.

Further provision in this section of the Act amends 31 U.S.C. 555(d)(1) and that amendment does the following: (a) makes the funds in the subaccount available to the Institute upon allocation; (b) limits the amount available by way of the annual allocation to 30 million dollars as adjusted for inflation; (c) directs the Treaury to create a trust fund for the excess over 30 million as adjusted. The trust fund would accumulate funds during the first years of the WPT and when, in later years of the WPT, the percentage allocation results in an amount less than 30 million as adjusted, the funds from the trust would be made available to the Institute.

This section, coupled with the authorization for appropriations in Section 509, provides a mechanism which will insure the stable amd constant level of funding which is essential for long-term research programs. The trust fund accomplishes this by balancing the WPT's high receipts in the next 3-4 years against the planned decline in those funds in the years after 1985. The authorization permits the Congress to make whatever supplementing adjustments it deems appropriate.

Sec. 501. Places the Institute on the same FY as the U. S. Government.

Sec. 502. Requires annual accounting by the Institute according to the standards for Government corporations; also authorizes GAO to conduct audits.

Sec. 503. Directs the Institute to prepare an annual report for the Congress and the President.

Sec. 504. Places the Institute's annual allocation in the Budget and does not assign it to any agency and does not include its allocation in budget totals.

Sec. 505. Provides for property management according to GSA procedures.

Sec. 506. Ownership of all property is retained by the United States, thus the Institute does not exercise ownership rights in federal property.

Sec. 507. Exempts the Institute from taxes.

Sec. 508. Places civil suits by or against the Institute in Federal District Courts. Further makes the Federal Tort Claims Act applicable and provides that compromised claims shall be paid by the Institute while claims reduced to judgment are to be paid from the standing appropriation for the payment of judgments. Limits the liability of the Institute to its cash assets on contract claims.

Sec. 509. This is an authorization for appropriations enabling Congress to appropriate such supplemental funds, if any, as it deems appropriate.

Sec. 510. Provides that inventions derived from or through research funded by the Government shall be processed through the Department of Energy in the same manner as if the Institute were a federal agency or instrumentality.

Sec. 511. Allows the Institute to patent inventions derived from or through non-federally funded research, and requires the Institute to license such patents on a non-exclusive basis. Fees received from licensing are deposited in the unfunded account of the Institute Fund. Upon dissolution of the Institute all patent rights held by it become the property of the United States.

Sec. 512. Directs the Institute to make information held by it available to the public upon request, but allows the Institute to withhold information pertaining to research not funded by the Government -- this is limited to two years. This allows the Institute to assure private entities paying for unfunded research that proprietary information will be protected for a limited period. This section also provides that as to all research paid for by the Government, proprietary information will be held as it is by agencies and instrumentalities of the Government.

Sec. 513. Sets October 1, 1982 as the effective date of the Act.

Sec. 514. Gives interim authority to the Incorporators, the Government Board members, to act until the Certificate of Incorporation is issued.

Sec. 515. Insures that federal employees will be retained during the transition period from federally operated facility to Institute.

Sec. 516. Eliminates ambiguity as to the applicability of Federal laws.

Sec. 517. Severability allows the remaining sections of the Act to remain in force and affect in the event one or more provisions is invalidated by a court of competent jurisdiction.

Mr. McDADE. I want to thank you, Mike, for coming. It is an excellent statement. We face, as you pointed out, two problems; time and substance. We will try to get at them in some way to help. We are grateful for your suggestion.

Mr. SYNAR. Thank you. I appreciate it.

THURSDAY, MAY 13, 1982.

FISH AND WILDLIFE SERVICE

VARIOUS PROGRAMS

WITNESSES

HON. JOHN B. BREAUX, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF LOUISIANA

HON. EDWIN B. FORSYTHE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. McDADE. Our colleagues, Congressman Breaux and Forsythe, are next.

Welcome to the committee. Your statements will, of course, be incorporated in full into the record and you are free to proceed in any manner you see fit. We are delighted that you took time to come to appear before the committee today.

Mr. BREAUX. Thank you very much, Mr. Chairman. It is always a pleasure for us to appear before the life or death committee. You will be happy to note we not only recommend increases in some of our programs—we also recommend some decreases in some other ones. Hopefully, we have come up with a bottom line figure we can find some support for and some agreement with appropriation committee members.

I will start off by saying we appreciate very much your staff's cooperation in working with our staff. Many of these matters are so complicated and detailed that it takes a great deal of staff work before we get to the few minutes we spend in formal presentation to solve these very serious problems brought on by the limited budget.

If you would like, Mr. Chairman, I would just show you a three page summary sheet which indicates our full committee request to the Budget Committee. The last column is our request in relation to the Administration's recommendations. You will note that we have increases and decreases in a number of areas.

The minuses of course are areas we think the Administration's proposal can be cut even further. The plus numbers, the numbers just standing by themselves in that last column, are the recommended increases that we have over the Administration's figures.

I would start off very briefly and summarize our statement. The most far-reaching area I would like to point to is on the last page of those three pages. It is something I think merits your committee's special attention. The land acquisition for parks and wildlife refuges come from basically two sources. The first source is the migratory water fowl hunting stamps. It is referred to by millions of Americans as the duck stamp program.

The revenues that are raised from that program are placed into the migratory bird conservation fund and Congress has mandated that those funds be spent with acquisition of migratory water fowl has been at that time. The duck stamp costs the hunter about $7.50. It generates $16 million a year. It is a classic user fee whereby we are saying to those who want to hunt, "We are going to help you buy some land but we want you to help pay for it." So we charge $7.50 for a duck stamp and that generates $16 million per year for land acquisition.

A second source for land acquisition is the Land and Water Conservation Fund. That is an appropriation that this committee has jurisdiction over. Those are the two sources. Now, I believe the allocation of funds from the Land and Water Conservation Fund is unacceptable. It should be unacceptable to this Appropriations Committee. It is unacceptable to the authorizing committee. I think it is unacceptable to the sportsmen of this country and I say this for this very basic reason.

Out of the Land and Water Conservation Fund, Administration proposes that the National Park Service is earmarked to get $60 million. Wildlife refuge and acquisition is supposed to get $1.6 million. Now, for the life of me, I am all for park acquisition. It is very important, we need parks. But I can not understand why a 60:1 ratio almost is an appropriate division of those very scarce funds.

It is not only this Administration because it is not a 1-year deal, we have checked the records and it goes back for 5 years. There is a definite trend of a lopsided appropriation for parks, and very little for wildlife refuges.

This pattern that has been generated, is, I would submit, a pattern of inequity. I would also suggest that the reason why it is occurring is because people who make the budgets are saying, all right, the duck hunters are coming up with $16 million of their own. So we are just going to add that to the amount we are going to put in the pot, which is $1.6 million and say well, you have got $17.5 million for refuge acquisition so that is enough. We will give $60 million for the parks.

The point I make is that the Government, and both sides are guilty, is really penalizing a group of sportsmen in this country who pay their own user fee and they are happy to contribute it. But if they come to the conclusion that they are in fact being penalized because of what they are paying as a user fee, I would suggest that they will be beating down the doors to the Congress to do away with the duck stamp program and I can honestly not argue for it if it is only going to be counted against the sportsmen of America.

So I think this committee can take a look at that recommendation and come up with a more equitable balance. You see from our committee recommendation that we are requesting a $16.5 million appropriation which we think is fair. There are other areas, maybe Mr. Forsythe will cover them.

We had some recomendations and add-ons. On page 6 of our statement, I would point to the fact that they recommended zero funding for the Madison, Wisconsin, Wildlife Health Laboratory. It is the best one we have in this country; it is the newest one we have in this country. It does research on water fowl problems, health problems. We shouldn't zero it out. We are asking for just a little over a million dollars on that, which I think is particularly important, even in a time of tight money.

Cooperative Fish and Wildlife Research units are addressed on page 5 of our statement. It is a program that the States think is a very worthwhile program. Our committee has also come to the conclusion that it is in fact, and we recommend an appropriation for that rather than the zero that is being recommended.

Endangered species is particularly important. We have some suggestions in that area. With that, I will let Mr. Forsythe, who has worked very closely with us in a bipartisan effort in trying to make these recommendations.

Mr. McDADE. We are happy to recognize our colleague from New Jersey. Proceed in your own way, my friend.

Mr. FORSYTHE. Thank you, Mr. Chairman.

I join the Chairman of the Subcommittee on Fish and Wildlife in his statements and I will be equally brief. With regard to the duck stamp philosophy, one of the things we are being told by this Administration is that they support user fees. However, I fear that if we don't maintain the credibility of our user fee system, we are going to get booted right out of the ball park.

I am not against user fees. But if we do collect this money, I think those who participate in the program should be assured that their money will be wisely spent, or we are not going to get user fees. I think it is just that simple.

In addition, there is another pet program that is in our recommendations. This is a new program for nongame species. All we are asking for is $500,000 to do a study on alternative sources to fund nongame management programs in order to maintain nongame species.

What we are able to do now largely comes out of fishing licenses, duck stamps, and other funds that are contributed by the sportsmen. They are getting a little tired of carrying this burden alone. I would appreciate a little seed money, all it is is $500,000 to try and get the nongame program off the ground.

My own State of New Jersey, among others, is using the tax refund checkoff as a way to put some money into the program at the State level. This is helpful but I think we miss the boat if the Federal Government does not try to see this kind of a program get a good start.

With that, I fully support the statement that we have jointly issued.

Mr. McDADE. Well, we thank you both for the statement and through the years, not just this year, but in years past, we have always had the benefit of your thinking, your experience. We are grateful.

Might I ask you to do one thing for us, please? When you arrive at your figure on the duck stamp of $16.5 million, out of the land and water fund, would you be kind enough to furnish the committee a list of the areas that you feel deserve priority with the limited amount of funding available.

You don't need to do it now, but if you would furnish it to us, it will be helpful to us as we try to make these tough judgments down the road.

Mr. **Breaux**. We can do that.

Mr. **Forsythe**. I believe it's already in the material we filed with the committee.

Mr. **Breaux**. The record has some suggestion. We are not talking about a whole bunch of crazy new ideas on how to spend the money. Our committee has authorized specifically the establishment of a number of new refuges which the Congress has agreed to and they are sitting out there waiting for somebody to appropriate the money to purchase land for projects we have already approved. Those are pending.

Mr. **McDade**. We are grateful to have that.

Mr. **Forsythe**. There are some of these with which there are problems in that if the acquisition does not move forward we are going to lose them.

Mr. **McDade**. What we have for the record is the areas that you figure are the ones based on what you have spent many hours in hearings on are priorities. What we don't have is the division of the limited dollars.

Mr. **Breaux**. We can provide that for the record.

Mr. **McDade**. We would be very grateful to you.

Mr. **Breaux**. We would feel that would be the greatest thing you could do this year in this area, to make a rational division of those funds.

Mr. **McDade**. We will do our best and appreciate your guidance very much.

Thank you both for taking time to come in.

[The statements and additional information follow:]

JOINT STATEMENT OF
HON. JOHN BREAUX AND HON. EDWIN FORSYTHE
BEFORE THE SUBCOMMITTEE ON INTERIOR
IN REGARD TO DEPARTMENT OF THE INTERIOR APPROPRIATIONS
THURSDAY, MAY 13, 1982

Mr. Chairman, we welcome the opportunity to appear here today to testify on appropriations for the Department of the Interior, and in particular, the Fish and Wildlife Service. The recommendations that we are making to you are the same as those the Merchant Marine and Fisheries Committee submitted to the Budget Committee and, as such, represent not only Mr. Forsythe's and my views, but also those of the entire Committee.

We have submitted a summary of our proposed increases and decreases to the Administration's budget request and would like to discuss some of those recommendations in more detail.

Perhaps the most far-reaching issue concerning the proposed budget is the question of land acquisition. As you know, the funds for the acquisition of National Wildlife Refuge Lands come almost entirely from two sources. First, since the 1930's, American sportsmen have been purchasing migratory waterfowl hunting stamps, the so-called "duck stamps". Revenues raised from the sale of these stamps are

PLACED INTO THE MIGRATORY BIRD CONSERVATION FUND AND CONGRESS HAS MANDATED THAT THOSE FUNDS BE SPENT FOR THE ACQUISITION OF MIGRATORY WATERFOWL HABITAT. THE PRESENT COST OF THE STAMP IS $7.50 AND THE FUND ACCUMULATES APPROXIMATELY $16 MILLION PER YEAR FROM ITS SALE.

THE OTHER MAJOR SOURCE OF FUNDS FOR LAND ACQUISITION IS THE LAND AND WATER CONSERVATION FUND (LWCF). UNDER THE ADMINISTRATION'S LWCF REQUEST FOR FISCAL YEAR 1983, THE NATIONAL PARK SERVICE WOULD RECEIVE $60 MILLION FOR THE ACQUISITION OF NEW PARK AREAS, WHILE THE FISH AND WILDLIFE SERVICE WOULD RECEIVE $1.6 MILLION FOR ACQUISITION OF REFUGE LANDS. AT FIRST WE THOUGHT THAT THIS YEAR MIGHT BE AN ANOMALY BROUGHT ON BY COURT AWARDS FOR CONDEMNATION OF PARK AREAS. HOWEVER, IN CHECKING BACK OVER THE PAST 5 YEARS, WE HAVE FOUND THAT THE FISH AND WILDLIFE SERVICE HAS ALWAYS BEEN ON THE SHORT END OF THE LAND AND WATER CONSERVATION FUND--USUALLY ONLY RECEIVING ABOUT 10% OF THE AMOUNT APPROPRIATED FOR THE PARK SERVICE.

WE BELIEVE THERE IS INEQUITY IN THIS ALLOCATION OF FUNDS--AND FOR SEVERAL REASONS. FIRST, THE SPORTSMEN OF THIS COUNTRY HAVE CONTRIBUTED A GREAT DEAL TO THE ACQUISITION AND DEVELOPMENT OF THIS NATION'S REFUGE SYSTEM. THROUGH THE PURCHASE OF DUCK STAMPS, THEY HAVE PROVIDED MILLIONS OF DOLLARS TOWARD THE ACQUISITION OF MIGRATORY BIRD HABITAT.

IT SEEMS TO US THAT THESE PEOPLE SHOULD BE ENCOURAGED AND THAT THEIR CONTRIBUTION SHOULD BE AT LEAST MATCHED BY THE APPROPRIATIONS OF THE FEDERAL GOVERNMENT. THOSE WHO SUPPORT PARK ACQUISITION DO NOT CONTRIBUTE AS OUR SPORTSMEN DO, AND YET THE NATIONAL PARKS RECEIVE MANY TIMES THE FUNDING FOR LAND ACQUISITION.

IN ADDITION, THE LAND AND WATER CONSERVATION FUND IS DERIVED FROM A TAX ON MOTORBOAT FUELS, THE SALE OF EXCESS GOVERNMENT PROPERTY AND OUTER CONTINENTAL SHELF REVENUES. WILDLIFE CONSERVATIONISTS HAVE AT LEAST AS MUCH RIGHT TO THOSE FUNDS AS PARK ENTHUSIASTS. INDEED, THE ACT SPECIFICALLY PROVIDES FOR THE ACQUISITION OF WILDLIFE HABITAT FROM THE FUND.

LAST, BUT MOST IMPORTANT, WE BELIEVE THAT THE ACQUISITION OF REFUGE LANDS IS AT LEAST AS IMPORTANT AS THE ACQUISITION OF PARK LANDS. WE HAD A HEARING IN NOVEMBER ON THE LOSS OF WETLAND HABITAT IN THE MISSISSIPPI FLYWAY AND THE INFORMATION WE RECEIVED WAS ALARMING. EACH YEAR, WE ARE LOSING 40 SQUARE MILES OF COASTAL MARSHES TO EROSION, 200,000 ACRES OF BOTTOMLAND HARDWOODS TO AGRICULTURAL CONVERSION, AND 40,000 OR SO ACRES OF PRAIRIE POTHOLES IN THE UPPER MIDWEST ARE BEING DRAINED. IN ADDITION, AND AS WE ALL KNOW, HABITAT IS ESSENTIAL TO PRESERVING ENDANGERED SPECIES, AND OUR GOVERNMENT

HAS A COMMITMENT TO PRESERVING SPECIES DIVERSITY. FINALLY, THOSE REFUGE AREAS THAT HAVE BEEN CONGRESSIONALLY AUTHORIZED--LIKE TENSAS AND BOGUE CHITTO IN LOUISIANA, BON SECOUR IN ALABAMA AND BANDON MARSH IN OREGON--ARE JUST AS UNIQUE AND JUST AS VALUABLE, IN OUR OPINION, AS THE GULF ISLANDS NATIONAL SEASHORE OR LASSEN VOLCANO NATIONAL PARK.

MR. CHAIRMAN, UNLESS WE MAINTAIN AN AGGRESSIVE HABITAT ACQUISITION PROGRAM, THE FUTURE OF OUR MIGRATORY BIRD RESOURCE MAY BE IN JEOPARDY. A LAND ACQUISITION MORATORIUM MAY OR MAY NOT MAKE SENSE FOR PARKS, BUT IT CERTAINLY DOES NOT MAKE SENSE FOR WILDLIFE HABITAT.

WE SHOULD POINT OUT THAT NEITHER IS THIS JUST A "HUNTER" ISSUE, NOR DO THESE REFUGES PROVIDE ONLY LOCAL BENEFITS. WHILE REFUGES NORMALLY DON'T HAVE AS MANY VISITORS AS PARK AREAS, THERE WERE OVER 26 MILLION VISITS TO NATIONAL WILDLIFE REFUGES IN 1981. LESS THAN 5% OF THESE VISITS WERE FOR THE PURPOSE OF HUNTING.

REFUGES, BY PROVIDING HABITAT FOR MIGRATORY BIRDS, ALSO PROVIDE BENEFITS THAT SPAN THE COUNTRY. THE WARBLERS THAT CHICAGO RESIDENTS ENJOY AT THIS TIME OF YEAR PROBABLY RESTED IN NATIONAL WILDLIFE REFUGES ALONG THE MISSISSIPPI FLYWAY DURING THEIR MIGRATION NORTH. THE SHOREBIRDS THAT MIGRATE ALONG THE EAST COAST USE REFUGES FOR NESTING, FEEDING AND RESTING.

These and the numerous other species of wildlife that we find in our National Wildlife Refuges bring enjoyment to millions of people and their conservation should be of top priority.

The Committee has recommended that $15 million from the Land and Water Conservation Fund be appropriated for the acquisition of refuge areas during FY 1983. We believe this is a modest request and appropriate in that it matches the contribution from our sportsmen. Mr. Chairman, the rest of our recommendations are equally important--but perhaps not so dramatic. We would like to ensure that the strong partnership between the states and the Federal Government be maintained. The Administration has recommended that no funds be appropriated for the Cooperative Fish and Wildlife Research Units. We believe these units, which receive their funds from a number of sources, provide the Federal Government with a very cost-effective method of conducting important studies on fish and wildlife. We commend you for including funds for these units in last year's appropriations and recommend that you do so again for Fiscal Year 1983.

We also recommend that the funds for the endangered species grants to states be reinstated at the FY 1981 level of $4 million per year. We have just completed a thorough review of the Endangered Species Act and are sobered by the

RATE OF LOSS OF SUCH SPECIES. SCIENTISTS AT THE HEARINGS TOLD US THAT WE MAY WELL BE LOSING ONE SPECIES OF ANIMAL OR PLANT PER DAY. THE STATES, AS WAS INTENDED BY THE ACT, WERE CARRYING PART OF THE BURDEN OF PROTECTING SPECIES AND OVER 40 STATES HAD SIGNED COOPERATIVE AGREEMENTS WITH THE FISH AND WILDLIFE SERVICE. STATES HAVE ALSO BEGUN, IN INCREASING NUMBERS, TO DEVISE NEW METHODS SUCH AS TAX RETURN CHECK-OFFS, TO FUND STATE NON-GAME AND ENDANGERED SPECIES PROGRAMS. WE BELIEVE THIS EFFORT SHOULD BE CONTINUED. WE ALSO RECOMMEND THAT THE FUNDS FOR ENDANGERED SPECIES LAW ENFORCEMENT BE RESTORED.

WE ARE ALSO SUPPORTIVE OF THE MADISON, WISCONSIN, WILDLIFE HEALTH LABORATORY. WE HAVE HEARD FROM BIOLOGISTS ALL OVER THE COUNTRY REGARDING THE VALUE OF THIS LAB AND ITS WORK ON WILDLIFE DISEASES. WE RECOMMEND THAT FUNDING FOR THE LAB BE RESTORED.

FINALLY, WE ARE AGAIN RECOMMENDING THAT FUNDS BE APPROPRIATED FOR INCLUSION IN THE REFUGE REVENUE SHARING FUND. THE STATUTE THAT ESTABLISHED THIS SYSTEM OF PAYMENTS TO LOCAL GOVERNMENTS WAS SUBSTANTIALLY AMENDED IN 1978, AND WE BELIEVE THAT IT ADDRESSES THE PARTICULAR REQUIREMENTS OF THE REFUGE SYSTEM. UNLIKE PARKS, MANY REFUGES DO NOT PRODUCE BENEFITS

TO THE SURROUNDING LOCALITIES. HOWEVER, WHEN THEY ARE SET UP TO CONSERVE MIGRATORY BIRDS, THE BENEFITS ACCRUE TO THE ENTIRE FLYWAY. WHEN THEY ARE ESTABLISHED TO PROTECT ENDANGERED SPECIES, THEY LIKEWISE SERVE TO PROMOTE A NATIONAL INTEREST. THE REFUGE REVENUE SHARING ACT RECOGNIZES THE BURDENS PLACED ON COMMUNITIES BY THE ESTABLISHMENT OF REFUGES IN THEIR DISTRICTS AND PROVIDES SOME COMPENSATION FOR THIS. THE FUNDS WE ARE RECOMMENDING TO BE APPROPRIATED REPRESENT THE AMOUNT WE BELIEVE NECESSARY TO MAINTAIN OUR COMMITMENT TO COMPENSATE THE LOCAL GOVERNMENTS FOR THE TAX REVENUES LOST AS A RESULT OF FEDERAL OWNERSHIP OF REFUGE LANDS WITHIN THEIR BOUNDARIES.

MR. CHAIRMAN, ALL OF THESE RECOMMENDATIONS--AND RECOMMENDATIONS INVOLVING DECREASES AS WELL--ARE CONTAINED IN THE BACKGROUND INFORMATION WHICH WE HAVE ATTACHED TO OUR TESTIMONY. OUR RECOMMENDATIONS REFLECT OUR EXPERIENCE WITH THOSE STATUTES UNDER WHICH THE FISH AND WILDLIFE SERVICE OPERATES AS WELL AS OUR OVERSIGHT RESPONSIBILITIES FOR THAT AGENCY.

WE DO HAVE ONE ADDITIONAL REQUEST THAT IS NOT INCLUDED IN THE ATTACHED MATERIAL. RECENTLY, THE COMMITTEE REPORTED A BILL TO AMEND THE ENDANGERED SPECIES ACT WHICH WE BELIEVE WILL IMPROVE THE OPERATION OF THAT ACT AND THUS PROVIDE BETTER PROTECTION FOR ENDANGERED SPECIES. THAT ACT IS ALSO

THE IMPLEMENTING LAW FOR THE CONVENTION ON NATURE PROTECTION AND WILDLIFE PRESERVATION IN THE WESTERN HEMISPHERE, AN IMPORTANT TREATY THAT HAS BEEN IN EXISTENCE FOR MORE THAN THIRTY YEARS BUT WHICH HAS NOT BEEN AGRESSIVELY IMPLEMENTED. OUR BILL CONTAINS PROVISIONS REQUIRING THAT THE CONVENTION RECEIVE THE ATTENTION IT MERITS. WE INCLUDED AN AUTHORIZATION OF $150,000 FOR FISCAL YEAR 1983 TO IMPLEMENT THE TREATY AND WE RECOMMEND THAT THE COMMITTEE CONSIDER A SMALL APPROPRIATION PURSUANT TO THIS AUTHORIZATION.

MR. CHAIRMAN, THANK YOU AGAIN FOR THE OPPORTUNITY TO TESTIFY. WE WILL BE HAPPY TO ANSWER ANY QUESTIONS AND OUR STAFF IS AT YOUR DISPOSAL FOR ANY ADDITIONAL MATERIAL OR INFORMATION.

FISH AND WILDLIFE SERVICE

Recommended Increases To Reagan Administration Budget Totaling $23,235,000

I. Resource Management:			
A. Habitat Preservation			
1. Environmental Contaminant Evaluation	$ 500,000		
2. Cooperative Fish and Wildlife Units	4,444,000		
Habitat Preservation.......... Subtotal	$4,944,000		
B. Wildlife Resources:			
1. Migratory Birds	$ 930,000		
2. Mammals and Nonmigratory Birds	630,000		
Wildlife Resources............ Subtotal	$1,560,000		
C. Fishery Resources:			
Fishery Research	$1,153,000		
D. Endangered Species:			
1. Grants to States	$4,000,000		
2. Protection	880,000		
Endangered Species............ Subtotal	$4,880,000		
RESOURCE MANAGEMENT (14-1611-0-1-303-00-48)		TOTAL	$12,537,000
II. LAND ACQUISITION (14-882-0-1-303)..........		TOTAL	$14,933,000
III. NATIONAL WILDLIFE REFUGE FUND (14-5091-0-2-853)		TOTAL	$ 5,000,000
		TOTAL INCREASES	$32,470,000

Recommended Decreases to Reagan Administration Budget Totaling $ 9,235,000

I. Resource Management:			
A. Wildlife Resources:			
1. Animal Damage Control	$4,600,000		
2. Interpretation and Recreation	300,000		
Wildlife Resources............ Subtotal	$4,900,000		
B. General Administration:	$1,000,000		
RESOURCE MANAGEMENT (14-1611-0-1-303-00-48)		TOTAL	$ 5,900,000
II. Construction and Rehabilitation:			
Fish Hatcheries	$ 3,335,000		
CONSTRUCTION AND REHABILITATION (14-1612-0-1-303)		TOTAL	$ 3,335,000

Cuts From Other Agencies Within The Department of the Interior

I. Bureau of Land Management:		
Payment in Lieu of Taxes Fund	TOTAL	$ 5,000,000
II. U.S. Park Service:		
Land and Water Conservation Fund	TOTAL	$14,933,000
	TOTAL DECREASES	$29,168,000

FWS BUDGET
CHANGES FROM REAGAN ESTIMATE

I. HABITAT PRESERVATION

A. Environmental Contaminant Evaluation: +$500,000

(Research)

Reagan Estimate:	$7,211,000
Subcte. Recommendation:	$7,711,000
Change:	(+$500,000)

Discussion: The additional $500,000 would fund ecological and resource assessments for agricultural chemicals used in forests, range, and crop management as well as resource assessments and studies on the impacts of contaminants from mining and smelting activities on fish and wildlife. The Administration proposed to reduce these research efforts by $786,000.

B. Cooperative Research Units: +$4,444,000

Reagan Estimate:	-0-
Subcte. Recommendation:	$4,444,000
Change:	(+$4,444,000)

Discussion: The $4.444 million increase would fund cooperative research units at the FY '82 level. Because these units are being funded at less than the amount necessary to operate efficiently, we recommend that all universities which have both a fish and a wildlife research unit combine their units into one. This will allow for a savings through staff reductions.

II. WILDLIFE RESOURCES

A. Migratory Birds: +$930,000

(Research)

Reagan Estimate:	$4,902,000
Subcte. Recommendation:	$5,832,000
Change:	(+$930,000)

Discussion: The $930,000 increase would restore that portion of the funds provided under this program for the National Wildlife Health Laboratory in Madison, Wisconsin. The purpose of the lab is to determine the impact of disease on the wildlife resource, to reduce wildlife losses when disease does erupt and to develop effective means for disease prevention.

B. Mammals/Non-Migratory Birds: +$630,000

(Research)

Reagan Estimate:	$1,898,000
Subcte. Recommendation:	$2,028,000
Change:	(+$130,000)

Discussion: The increase of $130,000 would restore that portion of the funding provided under this program for disease research at the Madison National Wildlife Health Laboratory.

(Wildlife Assistance)

Reagan Estimate:	$171,000
Subcte. Recommendation:	$671,000
Change:	(+$500,000)

Discussion: A recommendation of an additional $500,000 will provide the necessary funds to do a study on alternative funding sources for nongame management programs and initiate state nongame actions.

C. Animal Damage Control: -$4,600,000

(Operations)

Reagan Estimate:	$9,873,000
Subcte. Recommendation:	$5,273,000
Change:	(-$4,600,000)

Discussion: The $4.6 million decrease will require the states and private groups to assume more responsibility for resident wildlife damage control. The Administration's FY '83 ADC operational budget for resident wildlife species is about 86 percent ($8.5 million) of the total requested for operational assistance. Most of these funds are for coyote control in the West. About 14 percent of the operation funds ($1.4 million) will be used for migratory bird damage control. The Subcommittee recommendation is in line with our overall philosophy that if programs must be cut back, reduce those that primarily benefit only one area and maintain funding for those programs which are of national interest.

D. Interpretation and Recreation: -$300,000

(Fish Hatcheries)

Reagan Estimate:	$788,000
Subcte. Recommendation:	$488,000
Change:	(-$300,000)

Discussion: A total of 64 fishery facilities receive funding under this program for interpretation, environmental education, and wildlife/non-wildlife recreation activities and projects. Because the number of fishery facilities receiving funds under this program will be reduced to 43 (due to the closure of 15 hatcheries which receive these funds) and the number of visitors is expected to decrease, the Subcommittee recommends a decrease of $300,000. This would still allow for an increase of $11,000 over last year's base level for these programs.

III. FISHERY RESOURCES

A. Fishery Research: +$1,153,000

Reagan Estimate:	$9,531,000
Subcte. Recommendation:	$10,684,000
Change:	(+$1,153,000)

Discussion: The additional funds ($1,153,000) will provide for greater Service effort on aquaculture-related research activities such as fish nutrition, drug clearance, and disease control to be carried out at the fishery research stations around the country.

B. Fish Hatcheries:

Discussion: The Administration has recommended a decrease in the Fish Hatchery budget of $2,561,000. This will result in the closure of 31 hatcheries. While the Subcommittee recognizes that the benefits provided by these hatcheries are great, the benefits from the hatcheries in question are local in nature. The hatcheries in question provide mostly for the stocking of fish in state and private waters, and, as such, should be picked up by the states. The Subcommittee will study the situation carefully with a view toward facilitating the transfer of these hatcheries to the states.

IV. ENDANGERED SPECIES

A. State Grants: +$4,000,000

Reagan Estimate:	-0-
Subcte. Recommendation:	$4,000,000
Change:	(+4,000,000)

Discussion: State grant-in-aid projects (carried out through cooperative agreements with the FWS) involve all aspects of the Act, including habitat and population inventories, acquisition, law enforcement activities, and providing information and education to the public. The states are reducing their endangered species programs due to lack of funds. The proposed increase of $4 million would be distributed to the various states to carry out protection, maintenance, and recovery activities under Section 6 of the Endangered Species Act.

B. Protection: +$880,000

Reagan Estimate:	$4,679,000
Subcte. Recommendation:	$5,559,000
Change:	(+$880,000)

Discussion: The additional $880,000 will restore funding for 13 special law enforcement agents to carry out domestic field investigations and provide for their training. The Administration had proposed to shift law enforcement emphasis to covert operations and major undercover investigations by decreasing the field surveillance activities.

V. GENERAL ADMINISTRATION: -$1,000,000

Reagan Estimate:	$30,907,000
Subcte. Recommendation:	$29,907,000
Change:	(-$1,000,000)

Discussion: Based on a number of discussions with representatives of the environmental community and Service personnel, the Subcommittee feels there are a number of administrative activities carried out at the various levels of the Service which are duplicative and unnecessary. The Subcommittee therefore recommends a decrease of $1,000,000 for the administration of budgeting, program planning and development, financing, and management activities. In addition, the Subcommittee notes that the recent decision to abolish area offices was made after the budget was completed and some savings should be realized from these closures.

VI. CONSTRUCTION AND REHABILITATION

A. Fish Hatcheries: -$3,335,000

Reagan Estimate:	$3,838,000
Subcte. Recommendation:	$503,000
Change.	(-$3,335,000)

Discussion: The Administration is requesting an additional $3,335,000 for construction and rehabilitation projects at 8 fish hatcheries. Construction and rehabilitation funding for fish hatcheries are also contained in the Fishery Resources Program budget but any requests for individual hatcheries amounting to $60,000 or more are funded under the Construction and Rehabilitation account. The Administration requested an increase of $3.335 million over the 1982 appropriations level to fund improvements at 8 national hatcheries. In view of the Administration's proposal to close 31 Service hatcheries of lower priority and the uncertainty over future recommendations concerning the NMFS and FWS hatchery programs, an additional $3.335 million for major improvements and expansion of these 8 hatchery facilities would be inappropriate prior to full consideration of the entire Federal hatchery program in Committee hearings. The decrease in funding will still provide a balance of $503,000 for major improvements amounting to $60,000 per facility.

VII. LAND ACQUISITION: +$14,933,000

Reagan Estimate:	$1,567,000
Subcte. Recommendation:	$16,500,000
Change:	(+$14,933,000)

Discussion: The Administration's total request for land acquisition amounts to $1,567,000 to purchase endangered species habitat for the American crocodile and Kirtland's warbler. The Subcommittee recommendation of an additional $14.933 million would also provide funds for the acquisition of endangered species habitat for the Plymouth red-bellied turtles, blunt-nose lizzards, Florida mantees, Florida keydeer, Florida panthers, Bear Valley bald eagles, and Mississippi sandhill cranes. In addition, funds would be provided for the acquisition of specially legislated areas (Tensas, Bogue Chitto, Bon Secour and Bandon Marsh) as well as two resource conservation areas.

The Administration's total request for appropriations under the Land and Water Conservation Fund (LWCF) in FY'83 amounts to $174.5 million, to be divided among the agencies as follows:

$164.8 million - National Park Service ($60 million for land acquisition)
$ 1.6 million - Fish and Wildlife Service
$ 7.6 million - Forest Service
$ .5 million - Bureau of Land Management

$174.7 million - Total LWCF Request

The Subcommittee recommends that the $14.933 million increase for Fish and Wildlife Service land acquisition be subtracted from the amount requested for the Park Service. This would only reduce the Park Service allocation of the LWCF monies from 94 percent to 86 percent and increase the Service's allotment from 1 percent to 9 percent of the LWCF budget request.

VIII. NATIONAL WILDLIFE REFUGE FUND

A. Appropriations: +$5,000,000

Reagan Estimate:	-0-
Subcte. Recommendation:	$5,000,000
Change:	(+$5,000,000)

Discussion: The purpose of the Refuge Revenue Sharing Act is to compensate local government units for tax revenues lost as a result of FWS ownership of lands within their boundaries. Payments are made from revenues collected on Service lands and from direct appropriations (to the extent the revenues are insufficient to make full payments). To make full payments to local governments, a total of about $13.4 million is required in FY '83. However, the Administration is requesting payment of only those net receipts collected ($4.053). The Subcommittee seeks to partially offset the difference by recommending that an additional $5 million be appropriated.

The Subcommittee recommends that the $5 million increase for refuge revenue sharing payments be offset by a corresponding decrease in the Administration's request of $45 million for the PILT (payments-in-lieu-of-taxes) Program in the Bureau of Land Management budget request.

BW:cb

FISH AND WILDLIFE SERVICE BUDGET INFORMATION (In Thousands)	FY 83 BASE	CBO BASE	ADMINISTRATION REQUEST	SUBCOMMITTEE REQUEST	SUBCOMMITTEE RELATIVE TO ADMINISTRATION
I. RESOURCE MANAGEMENT					
A. HABITAT PROTECTION	38,176	38,813	31,147	36,091	4,944
1. Environmental Contaminent Evaluation	9,737		8,951	9,451	500
2. Land/Water Resource Development Planning	12,659		11,802	11,802	-0-
3. Biological Services	11,336		10,394	10,394	-0-
4. Cooperative Units	4,444		-0-	4,444	4,444
B. WILDLIFE RESOURCES	100,800	101,984	107,466	104,126	-3,340
1. Migratory Birds	58,648		64,810	65,740	930
2. Mammals and Non-Migratory Birds	16,474		17,500	18,130	630
3. Animal Damage Control	15,365		13,414	8,814	-4,600
4. Interpretation and Recreation	10,313		11,742	11,442	-300
C. FISHERY RESOURCES	37,049	37,616	32,852	34,005	1,153
1. Fish Hatcheries	22,682		20,121	20,121	-0-
2. Fishery Assistance	3,458		2,975	2,975	-0-
3. Fishery Research	10,684		9,531	10,684	1,153
4. Fishery Law Enforcement	225		225	225	-0-
D. ENDANGERED SPECIES	17,775	18,089	16,550	21,430	4,880

ADDITIONAL STATEMENT BY THE HONORABLE EDWIN B. FORSYTHE (R.-NJ), BEFORE THE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS; MAY 13, 1982

MR. CHAIRMAN, WE HAVE ALSO RECOMMENDED AN INCREASE OF $500,000 IN THE WILDLIFE RESOURCES PROGRAM OF THE U.S. FISH AND WILDLIFE SERVICE FOR THE PURPOSE OF PROVIDING THE NECESSARY FUNDS TO DO A STUDY ON ALTERNATIVE FUNDING SOURCES FOR NONGAME MANAGEMENT PROGRAMS AND TO INITIATE STATE NONGAME ACTIONS.

LEGISLATION WAS ENACTED DURING THE 96TH CONGRESS WHICH AUTHORIZED A TOTAL OF $20 MILLION OVER FOUR FISCAL YEARS TO ASSIST THE STATES IN THE DEVELOPMENT OF COMPREHENSIVE NONGAME FISH AND WILDLIFE CONSERVATION PLANS. THE STATES WERE TO USE THE FUNDS TO INVENTORY AND ASSESS RESIDENT SPECIES OF NONGAME TO DETERMINE THEIR CONSERVATION NEEDS.

THE ACT ALSO DIRECTS THE FISH AND WILDLIFE SERVICE TO UNDERTAKE A STUDY TO DETERMINE IF THERE IS A MORE APPROPRIATE WAY TO FINANCE A NONGAME FISH AND WILDLIFE CONSERVATION PROGRAM. HOWEVER, NO FUNDS HAVE BEEN REQUESTED OR APPROPRIATED FOR THIS PURPOSE OR FOR THE PURPOSE OF ASSISTING THE STATES IN THE DEVELOPMENT OF CONSERVATION PLANS FOR NONGAME SPECIES.

DESPITE THE FACT THAT 83 PERCENT OF THE FISH AND WILDLIFE FOUND IN THE CONTINENTAL U.S. ARE NONGAME SPECIES, LESS THAN 12 PERCENT OF ALL FEDERAL AND STATE WILDLIFE MANAGEMENT FUNDS

ARE EXPENDED FOR THE DIRECT BENEFIT OF THESE SPECIES. THE EFFECT OF THIS RELATIVE INATTENTION TO THE CONSERVATION NEEDS OF NONGAME FISH AND WILDLIFE IS REFLECTED IN THE FACT THAT 86 PERCENT OF THE VERTEBRATE SPECIES CURRENTLY LISTED AS ENDANGERED WERE CONSIDERED NONGAME FISH AND WILDLIFE AT THE TIME OF THEIR LISTING. IF THEY CONTINUE TO BE GIVEN LOW PRIORITY ATTENTION IN THE CONSERVATION AND MANAGEMENT OF THIS NATION'S NATURAL RESOURCES, EXPERTS FEEL THAT BY 1990, AN ADDITIONAL 450 NONGAME SPECIES COULD BE LISTED AS ENDANGERED, DUE MOSTLY TO THE DETERIORATION AND LOSS OF THEIR HABITAT. ALTHOUGH SUCH HABITAT CHANGES IMPACT ON ALL WILDLIFE POPULATIONS, IT IS PARTICULARLY IMPORTANT FOR NONGAME SPECIES SINCE THERE IS NO SPECIFIC PROGRAM FOR THEIR CONSERVATION.

MR. CHAIRMAN, I THEREFORE, ASK THAT YOU CONSIDER THE COMMITTEE RECOMMENDATION TO APPROPRIATE $500,000 FOR THIS STUDY SO THAT WE CAN FIND A WAY TO FUND NONGAME MANAGEMENT PROGRAMS AND BEGIN TO INITIATE STATE ACTIONS.

EBF:BWH

U.S. House of Representatives
Committee on
Merchant Marine and Fisheries
Room 1334, Longworth House Office Building
Washington, D.C. 20515

May 24, 1982

Honorable Sidney R. Yates
Chairman
Subcommittee on Interior
B 308 Rayburn House Office Building

Dear Mr. Chairman:

Attached please find a list of what we consider to be the top priorities for refuge acquisition under the Land and Water Conservation Fund. Mr. McDade requested such a list from us when we testified before the Interior Appropriations Subcommittee.

You will note that our recommendations concentrate on Congressionally authorized areas and habitat for endangered species. We believe these should represent the top priorities. Two of the areas, the Plymouth Red Bellied Turtle (Crooked Pond) and Bear Valley proposals, are being held by the Nature Conservancy at a considerable cost to them. Both areas were purchased at the behest of the Fish and Wildlife Service. We have found that this organization provides a valuable service to the Federal Government by holding properties until acquisition funds become available. The purchase of these lands should not be deferred at their expense.

The situation for several of these areas, Tensas and the American Crocodile proposal, is particularly critical due to impending development and we urge your consideration of immediate appropriations for these areas.

Thank you for your interest in the views of the Merchant Marine and Fisheries Committee. As we stated at the hearing, our staff is available to discuss these issues in detail with Appropriations Committee staff. If we can be of any assistance, please do not hesitate to call on us.

Sincerely,

EDWIN B. FORSYTHE Ranking Minority Member Subcommittee on Fisheries and Wildlife Conservation and the Environment	JOHN B. BREAUX Chairman Subcommittee on Fisheries and Wildlife Conservation and the Environment

Attachment

ATTACHMENT

AREA	ACRES	$(000)	STATE
American Crocodile	1,200	2,000	FL
Kirtland's Warbler	1,000	500	MI
Tensas River	4,000	5,200	LA
Lower Rio Grande	1,760	1,000	TX
Lower Suwannee	3,000	1,500	FL
Ply. Red Bellied Turtle	182	275	MA
Blunt Nosed Lizard	200	300	CA
Manatee	50	500	FL
Bogue Chitto	1,000	1,000	MS + LA
Bon Secour	350	1,500	AL
Bear Valley	1,160	812	OR
Key Deer	1,000	1,000	FL
San Francisco Bay	3,000	700	CA
Bandon Marsh	289	270	OR

THURSDAY, MAY 13, 1982.

INDIAN EDUCATION

WITNESS

HON. BYRON L. DORGAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NORTH DAKOTA

Mr. McDADE. Mr. Dorgan has been waiting very patiently.

Byron, come up. We welcome you to the committee. Your statement will, of course, be included in full in the record. We invite you to proceed in your own way.

Mr. DORGAN. Thank you, Mr. Chairman, I will be brief. I would like to just deal with this informally. I do have a prepared statement, but let me just tell you a quick story about why I am here and what I am concerned about.

There is a young fourth grade Indian girl in Wahpeton, North Dakota who attends the Wahpeton Indian School. When I toured that school some time ago to find out what that school was all about, she asked me whether her school was going to be closed. I didn't answer her directly, but the answer was "yes". If the Interior Secretary has his way and if the head of the Bureau of Indian Affairs has his way, the school will be closed.

The question for that young fourth grade school girl is what happens to her next year—and not only to her, but her classmates in an Indian school that has been open since 1908. The answer is, nobody quite knows. There are no provisions made for what happens to those children. Many of them come from backgrounds with broken homes, alcoholism, child abuse, and juvenile delinquency problems.

I toured that school because when the Interior Department and BIA decided to close a school like the Wahpeton Indian School, and others that have been around since the early 1900's as part of our responsibility and commitment to Indian children, I wondered whether they were making the right decision. Or whether they just were dealing with numbers here in Washington.

And as I looked over the school I found out that what the Bureau of Indian Affairs and what the Interior Department was alleging was patently false. They were alleging, for example, the facilities were in disrepair. Not true. The facilities are great facilities which are relatively new, not in disrepair. They were alleging that the school was not a particularly good school. Not true either. The school ranks right near the top in the entire region in achievement scores.

Apparently, the Bureau of Indian Affairs and Interior Secretary have just embarked on a budget decision to close Indian schools, with very little concern as to what the consequences are. I would hope that this committee, with whatever authority it has, will resist as strongly as you can those efforts.

On June 15, the Wahpeton School will be closed unless something intervenes to change that. I think that the Interior Department and the Bureau of Indian Affairs are probably in violation of the law and I expect that there will be a lawsuit filed in the Wahpeton case. There is one now filed in the Concho case.

I am hopeful there will be one filed in the Wahpeton case. I don't have standing, r rest assured there would be one filed now. But I know that there are evaluations of that approach underway. What I want to say, though, is that not just with respect to the Wahpeton School, but with respect to our obligation to Indian education and future of Indian children, it is fundamentally wrong for the Interior Department and BIA to do what they are doing with as little information as they are proceeding on.

There was a hearing in the Senate that Senator Andrews chaired a while back. The head of the BIA was there and frankly, it was embarrassing. He had no answers. No answers as to what school was the most cost-effective school, which was the best school, why they were closing it, what would happen to those children. I just know that this committee has consistently supported keeping those schools open over the years. I know that the interruption of that support by an administrative decision to reprogram funds to try and close schools that this committee and the U.S. Congress has deemed they want open is something that will concern this committee.

I want to bring it to your attention again as dramatically as I can and urge you to join many of us who are concerned about it and want to fight the efforts of the BIA and Interior Department which would do a real disservice to the Indian community and Indian education in this country.

There is also some information in my statement in support of the United Tribes Educational Technical Center, UTETC, which is an excellent facility which again is programmed for significant cuts. I won't go into that in detail but I would urge the members of the committee to take a look at what I have had to say about UTETC's needs.

The most urgent subject to me is the Indian boarding school question, because we face the immediacy of the closing of those schools, and I think it is a tremendous disservice to see the two agencies I have mentioned move in that direction. I would ask for this committee's help in whatever appropriate way they can provide it.

[The statement of Mr. Dorgan follows:]

Testimony Presented By

Congressman Byron L. Dorgan

North Dakota

Mr. Chairman:

I appreciate the opportunity to highlight for the Committee some key concerns of mine about Indian education. These concerns pertain directly to my district, but the issues are national in scope.

In particular, I am deeply disturbed by the BIA's plan to close the Wahpeton Indian School, to gut funding for the United Tribes Educational Technical Center, and to reduce drastically support for contract schools and impact aid.

I. Wahpeton Indian School

I first want to voice my categorical opposition to the Bureau of Indian Affairs' plan for the immediate closure of the Wahpeton Indian School at Wahpeton, North Dakota.

The Bureau's unresponsiveness to Congressional and Indian requests for information have led me and other members to the conclusion that closure of Wahpeton or any of the off-reservation schools without substantial preparatory work, would be premature.

That is why Congressman English, eight other members, and I asked the Committee last week to delay closure of the schools.

Repeated Congressional requests for information and Congressional hearings have shown an absence of careful research and planning. As an example, in the case of Wahpeton, the BIA testified on April 28, 1982, that research on placement and student needs would be conducted after the school was closed. The information received on all proposed closings has been incomplete, tentative, and in some cases, inaccurate.

If there is one matter beyond question, it is the Congressional responsibility and authority in the conduct of Indian Affairs. I believe that the Bureau should be seriously questioned on its current plans.

I am also very concerned about the Bureau's total lack of consultation with the affected Indian tribes. The Congressionally mandated policy of self-determination, and the historically recognized policy of consultation, are ill-administered when a small group of Bureau officials unilaterally make a closure determination.

In Wahpeton's case, the BIA hearing judge told the assembled tribal leaders that Wahpeton would close regardless of their views.

I believe that the Bureau's handling of the matter violates Section 1130 of P.L. 95-561 (the Education Amendments of 1978), the Indian Child Welfare Act (25 U.S.C. 1901 et seq.), and the BIA's own regulations (25 C.F.R. Part 31a) on consultation and the provision of services.

I have personally visited the Wahpeton School. I left with a feeling of pride and accomplishment--a feeling that the taxpayers' money is being well-spent and a feeling that the students will become productive and happy members of society.

I, therefore, think it is a shame to close a school that is benefitting North Dakota and the nation--a school that only spends an amount equal to three minutes of Defense Department expenditures every year--a school that has the lowest cost-per-pupil ratio in the entire BIA system.

Please allow me to expand on Wahpeton. As I said, it is the most cost-efficient school in the system. A BIA analysis of costs shows that Wahpeton has been the cheapest school to operate for the last two years. Per student costs at Wahpeton are $5,051 for 1982. Costs at other schools ranged up to $7,625.

The Wahpeton School is educationally top-notch. The head of the Aberdeen District of the BIA's education programs says the Wahpeton School is one of the best quality education schools in the entire BIA system. Even the BIA's Title I office here in Washington says Wahpeton's staff and teachers have perhaps the finest reputation of all the Indian schools.

A study of achievement levels in the Aberdeen District showed that of 39 schools, Wahpeton has the third best record. The Wahpeton School had the third highest percentage of students scoring above the national average in 1980. And from 1976 to 1980, the Wahpeton School achieved one of the region's best records in reducing the percentage of students scoring below the national average.

The entire community in the Wahpeton area, in the southeast corner of North Dakota, is behind the school. Most of the region's tribes have issued formal recommendations of support. Some of these tribes include the Standing Rock Sioux, The Turtle Mountain Chippewas, the Red Lake Band of Chippewas in Minnesota, the Omaha Nebraska Tribe, the Stockbridge-Munsee Community of Mohicans in Wisconsin, the Winnebago Tribe of Nebraska and the Great Sioux Nation.

That should come as no surprise. The School has served Indian kids from at least nine states--including Illinois and Montana. The school is providing a valuable service to students who are having serious difficulties in their home environments and there would simply be no other place for them to go.

Now, we hear that the BIA wants to close the Wahpeton School because it claims its facilities are among the worst. There is no justification for this claim. During my visit to the School, I found the school and dorm facilities, built from 1964 to 1972, to be in excellent condition. Moreover, a May 6, 1980 report by the BIA itself stated that the "...buildings at Wahpeton are in good to excellent condition."

The Wahpeton School has been criticized for its location. However, along with the Flandreau Indian School in Flandreau, South Dakota, Wahpeton serves the local Sisseton-Wahpeton Indian tribe. Wahpeton is the only boarding school in North Dakota and Minnesota, two states with large Indian populations. In point of fact, Wahpeton is centrally located to serve the large population of Indians throughout the Midwest.

FISH AND WILDLIFE SERVICE BUDGET INFORMATION (In Thousands)	FY 83 BASE	CBO BASE	ADMINISTRATION REQUEST	SUBCOMMITTEE REQUEST	SUBCOMMITTEE RELATIVE TO ADMINISTRATION
II. GENERAL ADMINISTRATION	31,437	30,456	30,907	29,907	-1,000
A. Executive Direction					
B. Administration & Support Services					
III. CONSTRUCTION AND ANADROMOUS FISH	6,683	7,099	12,705	9,370	-3,335
A. Construction and Rehabilitation	6,683		12,705	9,370	-3,335
B. Anadromous Fish Grants	-0-		-0-	-0-	-0-
IV. MIGRATORY BIRD CONSERVATION	17,576	17,642	16,376	16,376	-0-
• Receipts	16,376	16,376	16,376	16,376	-0-
• Advance	1,200	1,266	-0-	-0-	-0-
V. NATIONAL WILDLIFE REFUGE	9,813	10,539	4,053	9,053	5,000
• Receipts	4,053	4,353	4,053	4,053	-0-
• Appropriation	5,760	6,186	-0-	5,000	5,000
VI. PERMANENTS & TRUSTS	145,400	171,073	158,730	158,730	-0-
A. Federal Aid-Fish	36,881		40,230	40,230	-0-
B. Federal Aid-Wildlife	108,019		118,000	118,000	-0-
C. Proceeds from sales	500		500	500	-0-

FISH AND WILDLIFE SERVICE BUDGET INFORMATION (In Thousands)	FY 83 BASE	CBO BASE	ADMINISTRATION REQUEST	SUBCOMMITTEE REQUEST	SUBCOMMITTEE RELATIVE TO ADMINISTRATION
VII. CONTRIBUTED FUNDS	3,442	3,442	3,750	3,750	-0-
VIII. LAND ACQUISITION	16,491	17,579	1,567	16,500	14,933

The Bureau also alleges the Wahpeton School is under-utilized. In fact, there is a waiting list of about 25 to 30 students that the Wahpeton School would accept if a hiring freeze were lifted on adding additional staff.

The Bureau also contends that closing Wahpeton will save money. Yet, it hasn't done the placement studies needed to determine alternative costs. The Bureau has even admitted in Congressional testimony that savings may be negligible .

Tragically, the BIA cites budget pressure as the reason why it failed to follow its own regulations that require consultation with the tribes.

This is nonsense and a breach of the federal trust responsibility.

In short, the 75-year old Wahpeton School is an impressive success. To close it down on June 15 defies all logic.

Immediately, I ask that you take whatever actions are necessary to stop the Bureau's plan to close the off-reservation facilities at Wahpeton, North Dakota and Concho, Oklahoma. These plans are sadly premature and ill-advised. Until the Bureau acts in the best interests of Indian children, such closures should not be permitted.

Specifically, I would urge the Committee to deny any request from the BIA to reprogram funds for the purpose of closing Wahpeton.

II. United Tribes Educational Technical Center

Mr. Chairman, I also wish to reiterate my strong support for adequate and definite funding for the United Tribes Educational Technical Center (UTETC) in Bismarck, North Dakota. UTETC serves tribes from all over the nation--just as Wahpeton does.

The North Central Association for Colleges and Schools recently granted UTETC accreditation at the certificate level. This is a remarkable achievement for an Indian institution that has had to overcome some formidable obstacles.

It puzzles and disturbes me that UTETC's FY '83 allocation from the BIA is falling abruptly to $560,000--a 46% reduction. I am puzzled because this cut comes in the face of an overall BIA increase from FY '82 to FY '83 and the BIA's existing investment in UTETC. I am disturbed because such a reduction may be UTETC's undoing--at the very time that is has won its struggle for accreditation.

I realize that some BIA programs--including certain employment training programs--need prunning, because they have not worked well. I support those efforts, but UTETC is NOT one of these. It continues to provide effective and unique vocational services to unskilled and unemployable Indians from 40 different tribes. Nearly nine of ten UTETC graduates are placed on jobs. This is a remarkable achievement when you consider the grim unemployment statistics in the nation and the even grimmer ones on the reservations.

Accordingly, I would urge the Committee's rejection of the BIA's FY '83 allocation for UTETC. I would recommend instead an amount of $1.67 million, which would meet UTETC's program and operational needs and insure that our nation's Indian vocational students have access to a high-quality program and the promise of job success.

In addition, I would advocate that the Committee identify UTETC as a high priority that should receive stable and adequate funding on a long-term basis. Please know that I make this recommendation with firsthand knowledge of UTETC's fine record and a keen awareness of the absence of suitable alternatives.

III. Other Concerns

Finally, Mr. Chairman, I want to record my concern about the proposed budget cuts to contract schools and impact aid.

Contract schools, such as the Ojibwa School at Belcourt, North Dakota, meet a Congressional objective of educational choice on the reservations.

They do not detract from regular BIA schools; rather, they complement them by offering a more flexible curriculum and a keener emphasis on both traditional Indian culture and modern courses of study.

Deep cuts in Title IV and other programs will severely handicap the contract schools.

I would, therefore, urge the Committee to resist such cuts or to find a firm alternative, such as earmarked funds for operation and maintenance, to insure that contract schools can continue to serve Indian students.

I realize that impact aid to local school districts is a matter of controversy. And I agree that last year's budget cuts were probably needed.

However, we still need a strong, sensible program of impact aid to local school districts. Without such assistance, some local schools in North Dakota and other states may be forced to close their dorrs.

This could create havoc with public education.

The logic of impact aid for heavily affected districts is compelling. It is designed to meet the federal government's obligation to children who attend public schools where the local tax base has been reduced as a result of the tax-exempt status of Indian land or the presence of military installations.

In other words, the federal commitment to American Indians and national defense causes some land to be withdrawn from the tax base of local communities. It makes no sense to force these local communities to bear the total educational burden for these national policies.

That's simply unfair.

In North Dakota, the Administration's plan would cut impact aid from $7.8 million in FY 1981 to only $5 million in FY 1983. Of these totals, the respective payments to schools with large Indian enrollments would decline from $3.7 to $2.6 million. Neither the state nor the local schools can be reasonably expected to adapt to such a large cut in such a short period of time.

In summary, Mr. Chairman, I would urge you and the Committee to continue your support of federal impact aid. Further efforts to trim any remaining waste in the program are in order. But any attempt to gut impact aid is both illogical and unsound for reasons of educational, social, and defense policy.

This concludes my statement. Thank you again for the chance to share my views and I would be glad to answer any questions from the Committee.

Mr. McDade. We thank you for coming in. You can be sure that we are going to do our best. It is for us a difficult problem, as it is for you. But we share your concerns. We thank you for a fine statement and we are going to try to do what we can to intervene in some way.

Thank you for coming and testifying. We appreciate it.

Mr. Dorgan. Thank you.

Thursday, May 13, 1982.

DEPARTMENT OF ENERGY

Energy Conservation

WITNESSES

HON. LAWRENCE J. DeNARDIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

HON. BARBARA B. KENNELLY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CONNECTICUT

Mr. McDade. Larry DeNardis, our colleague, is here and has been waiting. We welcome you, Larry.

Mr. DeNardis. Thank you, Mr. Chairman.

I have Barbara Kennelly, our new colleague from Connecticut.

Mr. McDade. Barbara, welcome. We are very delighted to have you in front of the committee.

Ms. Kennelly. Thank you, Mr. Chairman.

Mr. Chairman, and members of the subcommittee, my colleague Mr. DeNardis and I would like to thank you for the opportunity to testify on behalf of the entire Connecticut delegation on the value of energy conservation programs in our State.

Although the current oversupply of oil and the relief we are enjoying from energy prices is welcome, it is my personal opinion that we will experience sharply rising oil prices at some point in the future. For a region such as ours that is heavily dependent on oil, and imported oil at that, this is not a time to dismiss energy conservation as passe.

We in New England must continue to improve on the progress already made in reducing our reliance on oil. I am afraid that without adequate funding for energy conservation programs we will meet the next oil crisis without adequate preparation.

Connecticut has made a good deal of progress over the last few years in reducing oil consumption by implementing energy conservation programs. It is estimated by the Connecticut Energy Division that about 60 trillion BTU's were saved in Connecticut in 1981. Most of these savings are directly attributable to the results of federally funded energy conservation programs. Savings of 60 trillion BTU's is the equivalent of 10.3 million barrels of No. 2 heating oil, or 433 million gallons.

Of this total, 5.1 million barrels of oil were saved in the residential sector, 412,000 barrels in the Government sector, and 1.5 million barrels in the transportation sector.

Four programs in the State can be credited for producing these savings, all of which are funded through this subcommittee. The programs are: the State Energy Conservation Program, SECP; the Energy Extension Service, EES; the Schools and Hospitals Program; and the Low Income Weatherization Program, which has been extremely successful.

In a moment I will turn the microphone over to my colleague, who will provide you with specifics on each program. As a new member of this Congress, I was at home in Connecticut in 1981 and personally watched the success of these programs. I thank you once again for letting us speak.

Mr. McDade. Thank you, Barbara, for an excellent statement.

Larry, we would be delighted to hear from you.

Mr. DeNardis. Thank you, Mr. Chairman.

I would like to follow up on what my colleague has said about the importance of these programs to the State of Connecticut and indeed to the entire Northeast.

Being a northeasterner, you will certainly appreciate what we are about here this afternoon. We are talking about a region, at least in New England, that is heavily dependent on imported heating oil, 88 percent, in fact, of our needs, based on the national average. I would like to submit my statement for the record and not take up any more time than is absolutely necessary.

The State Energy Conservation Program is of course the base energy program established under the Energy Conservation and Production Act of 1976. When I speak about this program and others, I speak from the vantage point of having served in the State Senate during the past several years and having seen firsthand the impact of these programs and having worked on State legislation to complement and foster these programs.

The State Energy Conservation Program through the energy audits that have been performed through public education services, through car and vanpool programs, through energy efficiency procurement practices and a lot of other things have had a very significant impact on the State of Connecticut.

I am not going to go through all the statistics. They will be in the statement. But I do want to make this point; that the States have been criticized by GAO for achieving only 59 percent of their goal as directed by this program. That is the goal of reducing energy consumption by 5 percent. I want to say that this is an average, some States have exceeded it, and some States, of course, are below it. But I think all in all, the GAO only looked at six States.

And I think that some of their stronger criticisms are not well founded. And certainly not applicable to the State of Connecticut because Connecticut, which projected a 5 percent reduction in consumption of 54 trillion BTU's, did in fact reduce our BTU usage by 60 trillion, for an 8.7 percent reduction rate, which is a significant effort.

I have with respect to this particular program some additional information which my written statement will convey. The Energy Extension Service in conjunction with the SECP is a program that has provided a good deal of information to the public on a wide variety of energy conserving alternatives.

It is estimated that in our State of Connecticut, 100,000 people have attended workshops, 45,000 people have called the toll-free energy line, which is funded by the program, and several thousand booklets have been distributed by this program.

I know that as a State senator I used to give these booklets out, and I used to provide services under this program to my constituents, and it was one of the hottest items that I had in my repertoire. The low income weatherization program is also extremely important. I know this program has had difficulty getting off the ground in some areas.

There have been some shortcomings. Some of the shortcomings quite frankly have been legislative; that is, the failure to provide the way in which sufficient labor would be plugged into this program. But nevertheless, I think it has proved to be an invaluble tool in mitigating the effects of unstable oil prices, and clearly by the statistics which I am providing the committee in terms of the number of units that have been weatherized in Connecticut, something in excess of 12,000; and that is a pretty good effort in a few short years.

There has been a significant net savings, an average savings, incidentally, for those units of $370, for those units that were weatherized, cutting consumption by 29 million BTU's.

The schools and hospitals program is also extremely important. I happen to have been for a brief period of time the president of the Connecticut Conference of Independent Colleges, a consortium of 18 private colleges in Connecticut. And I know that a number of those colleges took advantage of this particular program with documented savings.

In fact, in toto, 875 institutions in Connecticut in this category have had energy audits and technical audits, and close to 100 buildings received money over a 3-year period. And, in fact, they saved, as a result of these audits, $420 billion BTU's or 76,000 barrels of oil.

So these are documented savings which I think are necessary for a State in a region which is so dependent on a volatile supply of heating oil. They provide one more source to a litany of sources of information attesting to their value in every State in our region. And we in the Connecticut delegation strongly urge your committee to salvage as much as you can in this time of budget cutback.

And we certainly do appreciate your support of these programs in the past.

[The statement of Mr. DeNardis follows:]

DRAFT COMMENTS TO THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE CONCERNING FUNDING FOR ENERGY CONSERVATION PROGRAMS

It is estimated by the Connecticut Energy Division that about 60 trillion BTUs were saved in Connecticut in 1981. Most of these savings are directly attributable to the results of federally-funded energy conservation programs. Savings of 60 trillion BTUs is the equivalent of 10.3 million barrels of #2 heating oil, or 433 million gallons. Of this total, 29.8 trillion BTUs, or 5.1 million barrels of oil, were saved in the Residential Sector. In the Commercial/Industrial Sector, savings amounted to 3,246,000 barrels, 412,000 barrels in the Government Sector, and 1,485,000 barrels in the Transportation Sector.

The Programs which can be credited for these savings are: the State Energy Conservatic Program (SECP), the Energy Extension Service (EES), the Schools and Hospitals Program, and the Low-Income Weatherization Program which are funded by this Subcommittee. The following details illustrate the importance of retaining adequate funding levels for these programs.

State Energy Conservation Program. This is the base energy conservation program establishe by the Energy Conservation and Production Act of 1976 which is a multi-faceted program designed to achieve a national energy savings of 5%. Without it, some energy offices will be forced to shut down. In New England, the gap in funding experienced this year will effect the closure of the New Hampshire energy office next month. Other New England States are being forced to consider the possibility of combining their energy offices with their public utility commissions.

SECP requires states to perform energy audits, conduct public education services, coordinate necessary intergovernmental operations, operate car and van pool programs, establish energy efficiency procurement practices, and implement the right-turn-on-red requirement, and adopt thermal and lighting efficiency standards. While each of these activities has suffered as a result of the cut back in funding for SECP from $47.8 million last year to $24 million this year, services to the industrial and commercial sectors in Connecticut have virtually been eliminated due to these cuts. In the past few years, the Connecticut Energy Division has put on 20 Energy Forums which were attended by over 500 companies. The estimated savings from the workshop programs was 57,000 barrels of oil (the equivalent of 4 trillion BTUs) in 1981. Also because of decreased funds, the number of people performing small business energy audits has declined from six to one. This program has audited over 2,100 businesses, accounting for 38,000 barrels of oil saved (.22 trillion BTUs) in 1981.

States have been criticised by the General Accounting Office for achieving only 59% of their goal (directed by this program) to reduce energy consumption by 5%. By virtue of the fact that this figure is an average (which indicates that some states have achieved more savings while others have achieved less) of all states' performances and that the GAO report assesses the program in only six states, suggestions that the program has completely failed are groundless, and least applicable to the Connecticut experience. The State of Connecticut projected a 5% reduction in consumption of 54 trillion BTUs, but exceeded that in 1981, reducing by 60 trillion BTUs (for an 8.7% reduction rate) our 1980 consumption levels.

Further, the point should be made that there is general agreement with the GAO that the program regulations provoke excessive optimism and must be more realistically re-writte Because each state's share of the funding is based on a formula including projected savings, there is bound to be a lack of correlation between the projection and the result. Equally important to note is the GAO's finding that "The SECP has been effective in terms of developing for the first time a capability to manage energy programs in many States...". Lastly, an undoubtedly significant factor effecting program success of late has been the nearly 50% cut back in funding in one year and the delay in allocating this money to the States. I would appreciate the opportunity at this point in the hearing record to insert a list of the individual activities conducted by Connecticut under this program and their individual savings.

	Program	Savings (x 10^{12} BTUs)
quired tivities)	Thermal Efficiency Standards	10.78
	Lighting Efficiency Standards	7.57
	State Procurement Procedures	.16
	Vanpools/Carpools/Commuter Bus/Rail	4.91
	Right Turn On Red Legislation	.42
ther tivities)	Residential Conservation Service (CONN SAVE)*	1.20
	State Vehicle Gasoline Rationing	.26
	Returnable Bottle Bill	1.67
	Solid Waste Recovery	.05
	55 MPH Enforcement Legislation	2.99
	Truck Weight Liberalization Legislation	.32

Energy Extension Service. In conjunction with the SECP, this program has provided for and disseminated invaluable unbiased information to the public on a vast variety of energy conserving alternatives. About 100,000 people have attended workshops, 45,000 have called the toll-free energy line funded by the program, and several hundred thousand booklets have been distributed by the program which refer the reader to a range of cost-saving alternatives and services in the State. EES and SECP activities in this area have saved 95,000 barrels of oil in calendar year 1981.

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* GAO report EMD-82-39, page 20.

** Over 65,000 homes have been audited under this program since October, 1980, which has been funded by SECP for the lack of federal funding for the RCS program.

Low-Income Weatherization. Although this program had difficulty getting off the ground because of former legislative shortcomings which failed to provide sufficient labor for the program, it has proved to be an invaluable tool in mitigating the effects of unstable oil prices (more than 70% of the homes in Connecticut meet their heating needs through oil) on low and fixed income households and has reduced the State's dependence on importe oil. It is clearly one of the wisest short- and long-term policies a non-energy producing state can follow. Between 1977 and March of this year, the State has weatheriz 12,293 units. With the $3.7 million received for the Weatherization Program in 1981, 3,043 units were weatherized for a net savings of $1,131,262 (for an average savings of $370 per unit), cutting consumption by 29 billion BTUs. I have a chart which I would like to enter into the hearing record at this point in my testimony providing greater detail of these savings, based on heating sources.

Heating Source	Total Savings	Average Savings per Unit	# of Units
Oil (at an average heating cost of $1,709 cost was reduced by 25%)	$953,925	$420	2,024
Electricity (at an average heating cost of $3,316 cost was reduced by 18%)	55,254	594	926
Natural Gas (at an average heating cost of $1,095 cost was reduced by 22%)	222,082	239	1,093

National funding for this program has been cut from $182 million in FY'81 to $144 million in FY'82. Compounding the problem, despite the fact that Congress voted last summer to appropriate these funds and has repeatedly stressed concern for the continuity of the program, funding allocations have been delayed. Connecticut was just notified this week of its award for FY'82 ($2.034 million). The Connecticut Congressional delegation would be glad to work with you to be sure that this delay does not reoccur.

Schools and Hospitals. This program is designed to reduce energy consumption in schools, hospitals and local government facilities. This program, for which funds have been cut at the national level by 74% in one year (from $181 million to $48 million), has provided 875 institutions in Connecticut in the past with Energy Audits and Technical Audits. Ninety-two buildings have received about $5.5 million over the past three years to save 420 billion BTUs or 72,000 barrels of oil.

These are documented savings which are a necessity for a state in a region so dependent upon a volatile supply of heating oil.* They provide one more source to the litany of sources of information attesting to their value to every state in every region. The Connecticut Congressional delegation appreciates the support this Subcommittee has expressed for these programs in the past and your continued efforts to fund them.

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*New England imports [illegible], nearly double the national import rate, of its [illegible]

Mr. McDade. Well, we thank you both for coming in and for your very, very informative statements. Thank you both.

Thursday, May 13, 1982.

DEPARTMENT OF ENERGY, AND FISH AND WILDLIFE SERVICE

WITNESS

HON. DON FUQUA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. McDade. It is a pleasure to welcome now my good friend Don Fuqua, who has had a very quiet afternoon.

Congratulations on getting your legislation through.

Mr. Fuqua. Thank you, Mr. Chairman.

First, I want to thank you for the opportunity to be here today. I have a high priority item I want to discuss before I get into some of the items that are before the Committee on Science and Technology.

Of course, this relates to the National Fisheries lab in Gainesville.

Mr. McDade. I am awfully glad you brought it up. There is a supplemental you know that is beginning to get a date, a track.

Mr. Fuqua. I hope you can get $2.8 million in that supplemental. I know some of your staff has had a chance to visit the facility. As I have mentioned before, the committee has been very gracious in the past. It is a cooperative effort between the State and the Federal Government, and the Federal Government is behind in its fulfillment of the commitment that was made several years ago.

The State has already constructed its aquatic lab, and it will need this lab to work in conjunction with the aquatic lab, not only in tropical fisheries but also in natural control of some of the waterways that are being clogged all over the southern part of the United States by hydrilla and other types of similar type plants.

Mr. McDade. I recall your testimony on that very vividly. The $2.8 million would do what? What would we accomplish this year?

Mr. Fuqua. That would get construction started, and, as I recall, it would be about the equivalent of what they could spend this year.

Mr. McDade. We will be glad to proceed with your testimony in any way you want to do it.

Mr. Fuqua. I have a prepared statement that is very lengthy, and I have a short summary statement.

Mr. McDade. Indeed. We will make the other a part of the record and be delighted to receive it.

We thank you.

Mr. Fuqua. Mr. Chairman and members of the subcommittee, I am pleased to appear before you today and I appreciate the cordial and effective relationship that my committee has had with you and your staff. Today I want to review with you the authorization ceilings enacted for the DOE R. & D. programs in fiscal year in 1983, and my personal recommendations for a core program of balanced energy research and development in these times of ever tightening budgets. I would also like to discuss the recommendations of the committee for the Earthquake Hazards Reduction Act, a program of the U.S. Geological Survey.

Last year the Congress enacted a 3-year authorization for the Department of Energy in Title X of the Omnibus Budget Reconciliation Act of 1981, Public Law 97–35. I have included in table I of my statement for the record the authorization ceilings for all DOE research and development programs by appropriations accounts for each of the fiscal years, 1982, 1983, and 1984. In fiscal year 1983 the ceilings for the fossil energy and conservation R. & D. programs are considerably in excess of the President's request.

The Administration's fiscal year 1983 budget request clearly disregards the hard work of Congress on the 1982 budget. The bipartisan efforts of the Science and Technology Committee and your committee were strong signals that Congress meant to continue the renewable, conservation, and fossil energy programs at levels that would provide a balanced energy research and development effort for this country. The budget reductions proposed in this year's budget request would cut into the heart of the scientific and technical community that has developed to tackle our energy problems. Technologies and technical expertise will be dispersed, perhaps lost forever. The funding levels for these programs must be increased just to maintain minimally effective programs, and so I have recommended increases for the fossil energy and conservation R. & D. programs that are pared to the bone. Even with the increases proposed, these programs would be smaller than in fiscal year 1982, but they would retain the technical and scientific staffing and allow technologies at the brink of commercial readiness to make a smooth transition to the private sector.

Although the committee as a whole has not this year made a formal statement on the DOE programs, the response of the members in our subcommittee hearings and in private conversations has convinced me that what I am recommending today for the fossil and conservation programs would have broad support. My testimony does not address the transportation conservation program; it will be discussed by my colleague Dan Glickman, who chairs our Transportation Subcommittee. However, I strongly endorse his recommendations.

The earthquake hazards reduction program of the U.S. Geological Survey was first authorized by the Science and Technology Committee in 1977. In this year's reauthorization the committee has recommended $3 million above the President's request to provide for implementation of an operational earthquake network in southern California.

In closing, I want to reiterate the importance of providing a balanced national energy R. & D. effort. My recommendations will permit us to retain the core of such a program. There are undoubtedly other worthy activities not included here because of the tight constraints I felt had to be used. I certainly support the Administration's insistence on support for a Federal role in long-term, high-risk research. However, the Administration has overlooked the fact that in times of high inflation and tight money, long-term means anything with a payoff beyond 3 to 5 years, and high-risk means almost everything. We must get our economy under control and in the meantime we must support the innovation that will guarantee a competitive economy in the future.

Mr. Chairman, I have provided a written statement which contains my detailed recommendations for the subcommittee's attention.

Thank you very much. I will be happy to answer any questions you might have, Mr. Chairman.

[Mr. Fuqua's prepared statement follows:]

Statement of the Honorable Don Fuqua
Before the
Subcommittee on Interior Appropriations
May 13, 1982

Mr. Chairman and Members of the Subcommittee on Interior Appropriations, I am pleased to appear before you today and I appreciate the cordial and effective relationship that my Committee has had with you and your staff. Today I want to review with you the authorization ceilings enacted for the DOE R&D programs in FY 1983, and my personal recommendations for a core program of balanced energy research and development in these times of ever tightening budgets. I would also like to discuss the recommendations of the Committee for the Earthquake Hazards Reduction Act, a program of the United States Geological Survey.

Last year the Congress enacted a three year authorization for the Department of Energy in Title X of the Omnibus Budget Reconciliation Act of 1981 (P.L. 97-35). I have attached a table which contains the authorization ceilings for all DOE research and development programs by appropriations accounts and for each of the fiscal years, 1982, 1983 and 1984. (See Table I.) In FY 1983, the ceilings for the fossil energy and conservation R&D programs are considerably in excess of the President's request.

The Administration's FY 1983 budget request clearly disregards the hard work of Congress on the 1982 budget. The bipartisan efforts of the Science and Technology Committee and your Committee were strong signals that Congress meant to continue the renewable, conservation, and fossil energy programs at levels that would provide a balanced energy research and development effort for this country. The budget reductions proposed in this year's budget request would cut into the heart of the scientific and technical community that has developed to tackle our energy problems. Technologies and technical expertise will be dispersed, perhaps lost forever. The funding levels for these programs must be increased just to maintain minimally effective programs, and so I have recommended increases for the fossil energy and conservation R&D programs that are pared to the bone. Even with the increases proposed, these programs would be smaller than in FY 1982, but they would retain the technical and scientific manpower and allow technologies at the brink of commercial readiness to make a smooth transition to the private sector.

The response of the Members in our Subcommittee hearings and in private conversations has convinced me that what I am recommending today for the fossil and conservation programs has broad support. My testimony does not address the transportation conservation program; it will be discussed by my colleague Dan Glickman who chairs the Transportation, Aviation and Materials Subcommittee. However, I strongly endorse his recommendations.

The Earthquake Hazards Reduction program of the U.S. Geological Survey was first authorized by our Committee in 1977. In this year's reauthorization the Committee has recommended $3 million above the President's request to provide for implementation of an operational earthquake prediction network in southern California.

Department of Energy

Fossil Energy Programs

Our domestic fossil fuel resources, especially coal, are our major hope for energy security in the next 50 years. I believe in nuclear power and I am working to develop our renewable resources from solar energy and fusion. However, for different reasons, each of these energy resources will not be dependably available in the quantities we need them for a while. At the same time, our fossil fuels also have significant environmental consequences and are non-renewable. We must develop new technologies based on fundamental understanding of the physical and chemical processes that occur when fossil fuels are used. High efficiency and cleanliness will be critical characteristics of these technologies. The recommendations which follow are based on the recognition that clean, efficient fossil technologies require continuing research and development. They are summarized in Table 2.

Coal Mining R&D ($7.0M) It is widely recognized that coal mining productivity and safety are closely related. The prospect of increased coal usage both here and abroad will necessitate substantial increases in productivity of domestic suppliers to meet this demand. Commensurate safety improvements will also be required. The DOE budget request is inadequate to provide for these needs. The recommendation would provide $2M to continue research and development of longwall mining methods, an inherently safer method than conventional room-and-pillar mining. Also, safety and productivity improvements would be pursued through work in safe and efficient haulage, mine monitoring and communications systems conducted through the Pittsburgh Energy Technology Center's Bruceton test facility.

Coal Liquefaction ($46.9M) The creation of the Synthetic Fuels Corporation has fostered the widespread belief that SFC incentives will lead to prompt commercialization of coal liquefaction technology, obviating continuation of many Federally-sponsored research and development activities directed toward improving efficiency of the indirect liquefaction process and validating the direct liquefaction process. Certainly, the SFC should be commended for their efforts to further the development of a domestic synthetic fuels industry. At the same time, we must recognize that much work remains to be done if we are to gain maximum benefit from new and improved processes. Furthermore, since the future development of synthetic fuels will be greatly dependent upon societal concerns with environmental and safety issues, we place a high priority on research in these areas.

Specifically, the funding recommended here continues support of the methanol-to-gasoline (M-gasoline) pilot plant in collaboration with the Federal Republic of Germany. It also includes $4.2M for the liquid phase methanol test facility in LaPorte, Texas. Basic research on catalysts and reactor design will be conducted at this testbed focussing on improving the conversion efficiency of the indirect liquefaction process.

Operation of the Wilsonville, Alabama pilot plant should be continued. This project, co-sponsored by DOE and the Electric Power Research Institute, has produced significant research results in direct coal liquefaction. Additional process equipment has been installed, and the facility is now an extremely valuable research vehicle to assess the potential of two stage liquefaction processes and to produce very low sulfur products for end-use research.

I previously noted my concern with the environmental and health-related aspects of synthetic fuels. Thus, I strongly recommend a vigorous R&D effort in a variety of related activities: toxicity and carcinogenicity of coal-derived liquids, characterization and assessment of effluent streams, and strategies to ensure worker health and safety.

Since Federal involvement in liquefaction demonstration plants has been terminated, I recommend up to $5M be available to collect and analyze data from these projects. This would provide a central, comprehensive data base to aid future investors by insuring efficient dissemination of process data.

Surface Coal Gasification ($43.25M) The DOE budget request would terminate a number of existing gasification facility operations. As a practical matter these actions are inappropriate. I recommend continued funding for selected projects and base my judgement on the promising and unique nature of the advanced concepts under investigation, as well as the potential for improvements in current gasification technology. These projects include: $4.5M for the Westinghouse agglomerating fluidized-bed gasifier, $3M for the Mountain Fuel short residence-time entrained bed gasifier, and $1.5M for the TRW Beacon gasifier concept. In addition, $3.5M should be provided for continuation of environmental engineering research now being conducted at the Morgantown Energy Technology Center's fixed bed gasifier.

Equipment, instrumentation and technology from other industrial processes have not been readily adaptable to coal gasification due to the severe operating environment of combined high temperatures and pressures together with the erosive and corrosive nature of the process streams. Greater funding for equipment and instrumentation research above the DOE request is supported.

Finally, the peat resource has received little attention even though one peat gasification project is now before the SFC. In order to utilize this resource efficiently it must be dried, which may be accomplished easily by direct sunlight in southern climates. However, much of this resource occurs in the northern Midwest, a region not blessed with abundant sunshine. Therefore, the recommendation includes $3M for research into peat carbonization and de-watering.

Underground Coal Gasification ($6M) Underground, or in-situ, coal gasification produces gaseous fuels without mining. It is especially useful in areas where conventional mining techniques are too expensive or technically impractical. Successful development of this technology has the potential to quadruple U.S. coal reserves and could provide fuels at lower cost and with less adverse environmental impact than surface gasification. This is a long-term, high-risk technology that should not be terminated at this time. The DOE program has developed a reserve of technical expertise at the national laboratories that will be dispersed prematurely if the program is terminated before industry is ready to assume the costs of development.

Therefore funding is recommended for a controlled reaction injection point project, to be cost/shared by DOE and GRI with management by Lawrence Livermore National Laboratory.

Advanced Research and Technology Development ($36.3M) I will now turn to the AR&TD program which has always fit the criteria of long-term, high-risk research. This program has been highly successful, leading to an increased understanding of the fundamental mechanisms of coal conversion and combustion technologies including generic studies of materials and components. While the recommended funding level is double that of the DOE request, it is, nevertheless, a substantial reduction from FY 1982 and represents a minimum level to continue this valuable work.

The recommendation of $10M for coal conversion process R&D will fund studies which will aid our analytical understanding of these processes, leading to improvements in present generation applications and pave the way for the development of advanced concepts. There is a critical need for research in materials and components and it is maintained at only a slight reduction from the FY 1982 level. This will continue productive work at both Oak Ridge and Argonne National Laboratories and associated institutions.

The Department of Energy has requested termination of the University Coal Research program as a separate activity. I believe this is short-sighted when one recognizes the contributions of this basic research to our understanding of the fundamental behavior of coal. As we anticipate a greater utilization of coal to meet our future energy needs, industry will require more engineers and scientists trained in coal science. My recommendation of $7.5M would maintain this program and encourage involvement of needed technical manpower.

Control Technology and Coal Preparation ($29M) Now turning to the Control Technology and Coal Preparation program, the technologies of coal beneficiation, gas cleanup and waste disposal will have marked impacts on the cost-effective expansion of domestic coal use. The recommendation of $8M for coal preparation supports efforts to provide cleaner coal to industrial and utility users resulting in fewer pollutants and encouraging further coal conversion. Improvements in gas cleanup technology will enable users to meet future air pollution standards and enhance deployment of advanced power generation systems including gas turbine and fuel cell combined cycle plants. A total of $18.1M is recommended here with primary emphasis on hot gas cleanup R&D activities. Finally, recognizing that coal burning produces significant quantities of waste material, waste characterization and disposal management is supported through the cleanup base technology program.

The program structured here recognizes the anticipated increase in coal utilization, as well as the fact that coal is a dirty fuel, and the national interest will be served by a robust program of research and development directed toward environmentally acceptable coal use.

Heat Engines and Heat Recovery ($15M) Gas turbines as part of combined cycle power or cogeneration systems offer the promise of increased efficiency and versatility of fuel selection. They can be combined with several other fossil technologies as well. However, efficiency improvements in these systems requires that the operating temperatures of gas turbines be increased, and this means a substantial development program. The recommendation of $11.5M for high temperature turbine technology will fund restructured, cost/shared, technology base research and component development activities for advanced high temperature turbine concepts, including air-cooled, water-cooled and ceramic blade applications.

The need to pursue this program is understored by noting the vigorous Japanese program which will undoubtedly surpass us should we permit termination of this effort. Since other technologies such as coal gasification, fuel cells and fluidized bed combustors can be integrated with gas turbine combined cycles, it is sensible to optimize the gas turbine in parallel with the development of these technologies.

Combustion Systems ($23.3M) This program seeks to develop advanced combustion technologies for coal and coal-based fuels. Fluidized bed combustors will accept a wide range of fuels, and past DOE programs have aided commercialization of small-scale atmospheric fluidized bed combustors. Pressurized fluidized bed combustors (PFBC) require additional R&D to verify the systems concepts. The IEA/Grimethorpe test facility, jointly funded by the U.S., West Germany and the United Kingdom is being operated to obtain valuable, generic PFBC data. I recommend $4.5M for this project, believing that the $2.5M requested by DOE will be inadequate to support a meaningful test program. In conjunction, technology base activities at the CURL, Leatherhead, England facility in support of the Grimethorpe tests should be funded at $1.0M. Domestic work in PFBC combined Cycles has been centered on completion of the pilot plant facility in Wood Ridge, New Jersey. When completed, it will be the first PFBC combined cycle plant in operation, and will become the pre-eminent testbed for the PFB combustor and future generation turbines. I recommend $5.5M to complete construction of the facility and encourage the participants to complete negotiations for full private funding of the test program.

Coal-based slurry fuels have great potential- not only can their use displace a significant quantity of oil, but they can be utilized in oil and gas boilers on a competitive basis with conversion to coal. Therefore, $6.2M is recommended for the Alternative Fuel Utilization Program to pursue R&D in coal-water-mixture technology.

Fuel Cells ($27.8M) The recommendation for this program recognizes the developmental timetables and R&D needs of all three generations of fuel cells. As you know, the near-term commercialization of phosphoric acid systems is mandated by the Federal Nonnuclear Research and Development Act of 1974. To this end, I strongly recommend $4.8M for the 4.8 megawatt demonstration plant in New York City as a vital step toward commercialization since I do not believe the $1.0M DOE request for this facility provides adequate financial support for operation and meaningful testing. In keeping with the philosophy of supporting technological diversity, $12.5M is provided to pursue technology base development for several competitive phosphoric-acid concepts.

For the second and third generation systems, $7M is suggested for continued R&D on Molten Carbonate fuel cells utilizing the existing DOE prototype test facility and $3.5M for advanced concepts, including $1.0M for thermionics research.

Magnetohydrodynamics ($31M) Once again DOE seeks to terminate the MHD program, an action believed to be premature. There is general agreement that MHD is a long-term, high-risk technology. This funding recommendation would continue base research and component development activities at the two lead facilities: the Coal Fired Flow Facility at the University of Tennessee Space Institute, and the Component Development and Integration Facility in Montana. Also included is diagnostics support for both facilities.

One of the major activities at UTSI would be transporting, installing and testing the superconducting magnet now located at Argonne National Laboratory. Also, research will be continued in the areas of materials evaluation, processes modelling, slag carryover, and heat and seed recovery.

Several major components are now being fabricated for testing at CDIF. The recommended funding level would support component integration and testing which would yield valuable data for future system scaleup.

Petroleum R&D ($29.5M) In addition to providing for new expanded use of coal, I believe it is absolutely necessary that we maximize recovery of our petroleum resources. The recommendation for this program therefore, would permit the pursuit of innovative processes for enhanced oil recovery and advanced extraction techniques. Specific activities would include microbial research, chemical and miscible flooding techniques, and research on the environmental effects of thermal EOR processes.

In the oil shale area, a reorientation of effort toward technology base activities is suggested, including generic research on the physics and chemistry of surface and in-situ retorting. It is desirable to maximize the contributions of the multi-program laboratories to aid this effort, and continue research into environmental mitigation strategies.

Gas R&D ($14.95M) The recommendation here recognizes the great potential resources of natural gas that could be made available with successful development of enhanced gas recovery techniques. The regulated gas-industry is likely to undertake the basic research necessary to deploy these technologies. Funding support would be directed, primarily, toward obtaining generic data and a better understanding of Western lenticular tight sand formations, and secondarily, to well stimulation in the Eastern Devonian shales.

Conservation

I am convinced that a solid, well-balanced RD&D program in energy efficiency is essential to the Nation's overall energy policy and to its economic well-being. We have seen no evidence, in the year since I last testified here to refute the testimony we received from industry at that time that:

1. The private sector will not pick up the R&D activities being dropped by the Federal Government.

2. The DOE programs return to the nation- and in some cases to the Federal Government- more than ten dollars for every dollar invested.

3. The DOE programs will result in substantial energy savings, perhaps as much as 12 quads, by the year 2000.

Indeed the evidence we have received strongly supports continuation of those programs. For example:

We recently received letters from 36 contractors to the DOE Industrial Energy Conservation program stating unequivocably that their efforts would not continue without DOE funding.

The National Association of Home Builders, the American Institute of Architects and other industry groups have presented us with a plan for a Federal building energy research program that would combine passive and active solar with buildings systems and equipment into one research effort.

Two consulting firms have prepared detailed reports which show that the Europeans and Japanese are increasing their R&D expenditures for energy efficient equipment with the goal of capturing the sizeable international and American markets.

The Energy Research Advisory Board has recommended in its R&D Priorities Report that the buildings and industrial energy conservation programs be continued at their FY 1981 levels.

For all these reasons, Mr. Chairman, I strongly recommend that the energy conservation RD&D programs be continued at about their FY 1982 levels. We must send an unequivocal message that these programs have been cut enough, that there is no more "fat" to be eliminated. Let me make a few remarks about specific program (See Table 2 for details).

Buildings ($40.5M) Elimination of the basic and applied research programs in building energy systems is not justified. Efforts should be continued to develop and demonstrate new building equipment such as heat pumps, refrigerators, and lighting systems and to assist communities in implementing district heating and other community energy systems. The urban waste program should be continued but re-directed toward basic and applied research.

Industrial Energy Conservation ($30M) This is one of the most cost-effective programs in the Department of Energy and American industry will be placed at a competitive disadvantage if it is eliminated. My recommendation of $30 million includes about $10 million each for waste energy reduction and process efficiency; $6 million for cogeneration; $2.4 million for implementation and deployment and $1.6 million for program direction. This is a minimum budget; the more could easily be justified in terms of benefits to the nation.

Multi-sector ($15M) Although the Administration requested $17.6 million for Energy Conversion and Utilization (ECUT) that figure is very misleading. Most of the funding goes to activities that were previously carried out in the storage, transportation, buildings and industrial programs. The ECUT program itself has in fact been reduced from $8 million to $3 million. There is no easy justification for cutting a pure research program like ECUT, and therefore I recommend funding it at a modest increase over FY 1982. There is also no reason to eliminate the highly successful energy related inventors program and should continue it at slightly less than last year's level. A small amount should go to the National Center for Appropriate Technology to disseminate information about appropriate energy technologies.

Energy Extension Service ($10M) Finally, I strongly recommend that you retain some funding for the only hands-on, consumer-oriented decentralized information dissemination program at DOE.

The Earthquake Hazards Reduction Act

I would like also to comment on a small, but important part of the U.S. Geological Survey appropriation. This is their Earthquake Hazards Reduction Program, which is authorized by our Committee through the "Earthquake Hazards Reduction Act of 1977". This year's authorization is contained in H.R. 6272 reported by the Committee on May 5, 1982.

H.R. 6272 as adopted by the Subcommittee contains $3,000,000 in authorization above the President's budget. This addition is meant to allow the USGS to conduct several design studies to define the most efficient means to proceed with the implementation of an operational earthquake prediction network in southern California.

A 1980 National Security Council report, "An Assessment of the Consequences of Preparations for a Catastrophic California Earthquake: Findings and Actions Taken," stated that there is a greater than 50% chance of a catastrophic earthquake occurring in California in the next 30 years. It pointed out that the U.S. is essentially unprepared for this catastrophy.

The U.S. needs to establish an operational network in southern California which will eventually make it possible to predict the occurrence of earthquakes. Predictions can only be made by observing those phenomena which are precursors of earthquakes.

Currently the reliability and quality of the data available are inadequate for increasing our chances of predicting the next large earthquake.

It is considered crucial that engineering design studies be carried out as soon as possible to define the most efficient means to proceed with the impelmentation of the network. The decision to build the network can be deferred to FY '84 or beyond. However, if geologic conditions indicate some action should be taken quickly, a year or so would be lost without the required design studies and money would be wasted in the rush to put equipment in the field.

By undertaking the design, and eventually the development, of a prototype prediction network, and by continuing earthquake prediction research, we are certain to increase our understanding of earthquake prediction techniques and thus improve our chances of predicting the next major earthquake in southern California. Moreover, the knowledge gained can be used in predicting earthquakes in other seismic risk areas such as Charleston, South Carolina, Boston, Rochester-Seaway, New York, and the Central Mississippi Valley.

Conclusion

In closing, I want to reiterate the importance of providing a balanced national energy R&D effort. My recommendations will permit us to retain the core of such a program. There are undoubtedly other worthy activities not included here because of the tight constraints I felt had to be used. I certainly support the Administration's insistence on support for a Federal role in long-term, high-risk research. However, the Administration has overlooked the fact that in times of high inflation and tight money, long-term means anything with a payoff beyond 3 to 5 years, and high-risks means almost everything. We must get our economy under control and in the meantime we must support the innovation that will guarantee a competitive economy in the future.

Table 2.
Fossil Energy

Coal	FY 1983 DOE Request	Recommendation
Mining R&D	$ 1,000	$ 7,000
Coal Liquefaction	$26,200	$46,900
Surface Coal Gasification	$10,500	$43,250
Underground Coal Gasification	$ 700	$ 6,000
Advanced Research & Technology Development	$17,000	$36,300
Control Technology and Coal Preparation	$ 8,600	$29,000
Heat Engines & Heat Recovery	$ 0	$15,000
Combustion Systems	$ 6,500	$23,300
Fuel Cells	$ 9,500	$27,800
MHD	$ 0	$31,000
Program Direction	$ 8,000	$ 7,500
Subtotal Coal, Operating Expenses & Capital Equipment	$88,000	$273,050
Construction	$ 2,800	$ 2,800
Total, Coal	$90,800	$275,850
Petroleum		
Advanced Process Technology	$ 3,000	$ 4,500
Enhanced Oil Recovery	$ 5,800	$ 11,000
Oil Shale	$ 6,300	$ 13,000
Program Direction	$ 1,000	$ 1,000
Total, Petroleum	$16,100	$ 29,500
Gas		
Enhanced Gas Recovery	$ 0	$ 14,450
Program Direction	$ 0	$ 500
Total, Gas	$ 0	$ 14,950
Total Fossil Energy, OE+CE	$104,100	$317,500
FE Construction	$ 2,800	$ 2,800
Total FE	$106,900	$320,300

Table 3. Recommendations for Energy Conservation RD&D

Buildings Energy Research (formerly Buildings & Community Systems)
- Building Systems - $19M
  - Envelope systems and materials; thermal insulation; windows and daylighting; ventilation and controls; performance calculations and diagnostics; pilot projects and case studies; education and technical assistance; voluntary standards and labelling.
- Building Equipment (formerly Technology Consumer Products) - $11M
  - Combustion equipment; heat pumps; refrigeration systems; applied technology; lighting.
- Community programs (formerly community systems) -$3.5M
  - District heating; technical assitance to communities.
  - Basic and applied research on chemical, biological and mechanical processes.
- Analysis and technology transfer - $1.0M
  - Retain planning, analysis and evaluation capability.
- Program direction - $2.5M

Industrial Energy Conservation - $30M
- Waste Energy Reduction - $10.5M
  - Waste heat recovery and utilization; combustion efficiency improvement; slatting coal burner; alternative fuels and feedstocks.
- Process efficiency - $9.5M
  - Extraction (cutting, milling, controls); evaporation (freeze crystallization); concentration (catalytic reactor); integrated energy systems; reduction (inert anode); melting (inspection and calibration).
- Cogeneration - $5.0M
  - Topping cycles (gas turbine, coal-water diesel, thermionic); bottoming cycles (Brayton, bi-phase concentrators).
- Implementation and Deployment - $2.4M
  - Energy analysis and diagnostic centers; workshops and seminars; reports and manuals.
- Program direction - $1.6M

State and local - $10M
- Energy Extension Service - $10M

Multi-sector - $15M
- Energy Conversion and Utilization Technology - $9M
- Inventors program - $4.5M
- Appropriate technology - $1M
- Program Direction - $0.5M

Table 1.
DOE AUTHORIZATION FY 1982, 1983, 1984 BY APPROPRIATIONS ACCOUNTS

(In thousands)
Source: P.L. 97-33

	FY 1982			FY 1983			FY 1984		
	Operating Expenses	Construction	Total	Operating Expenses	Construction	Total	Operating Expenses	Construction	Total
General Sciences	439,160	128,300	567,460	471,000	137,000	608,000	500,000	147,000	647,000
Energy Supply R&D	2,136,530	371,107	2,509,637	2,425,148	354,000	2,779,148	2,558,000	416,200	2,974,200
Uranium Supply & Enrichment	1,153,192	-	1,901,642	1,621,642	1,002,800	2,624,400	1,973,600	981,500	2,955,100
Geothermal Resources Development Fund	200	-	200	200	-	200	200	-	200
Fossil Energy R&D	460,800	18,000	478,800	430,800	13,000	443,800	430,800	6,000	436,800
Energy Conservation R&D	182,044	-	182,044	187,600	-	187,600	193,200	-	193,200
Departmental Administration	206,000	40,963	246,963	246,963	-	246,963	246,963	-	246,963
Energy Production Distribution & Demonstration	230,963	-	230,963	377,195	-	377,195	292,305	-	292,305

Mr. **McDade**. I have no questions. I do want to tell you how much we appreciate the advice and consultations that you have given us over the years. They have been very, very helpful. Your suggestions have always been good, and we look forward to working with you again this year to try to achieve, as you say, a balanced energy program.

We are very grateful for your testimony.

Mr. **Fuqua**. Thank you, Mr. Chairman. I would like to point out that in the $2.8 million for the fisheries lab, what is really needed is about $4 million; with $4 million it could all be completed in one contract. Otherwise, we will have two contracts. And I think in the long run it would cost a higher figure over all.

Mr. **McDade**. Right.

Mr. **Fuqua**. We should consolidate that into new one contract and get it completed—one part is administrative and laboratory building; the other part is ponds—both are needed, and one can't function without the other.

Mr. **McDade**. Okay. We very much appreciate the suggestion, and all of your testimony will be given careful consideration. We thank you again for the time.

Mr. **Fuqua**. Thank you very much.

Mr. **McDade**. On a busy day, for you to come testify, we are grateful.

THURSDAY, MAY 13, 1982.

WITNESS

HON. DAN GLICKMAN, A REPRESENTATIVE FROM THE STATE OF KANSAS

Mr. **McDade**. A statement will be inserted in the record from our colleague, Congressman Glickman, at this point.

[Mr. Glickman's prepared statement follows:]

REMARKS OF
HONORABLE DAN GLICKMAN, CHAIRMAN
SUBCOMMITTEE ON TRANSPORTATION, AVIATION AND MATERIALS

MAY 13, 1982
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS

FY 83 DEPARTMENT OF ENERGY APPROPRIATION

MR. CHAIRMAN. I VERY MUCH APPRECIATE THE OPPORTUNITY TO BE HERE TODAY. MY PURPOSE IN REQUESTING TIME IS TO REPORT ON CERTAIN ACTIONS TAKEN BY THE SUBCOMMITTEE ON TRANSPORTATION, AVIATION AND MATERIALS ON THE DOE TRANSPORTATION PROGRAM FOR FY 83.

I SHOULD POINT OUT THAT A THREE-YEAR AUTHORIZATION FOR DOE WAS PASSED LAST YEAR, AS PART OF THE OMNIBUS RECONCILIATION BILL. AND, SINCE THE FUNDING LEVELS CONTAINED IN THAT BILL ARE ADEQUATE TO COVER OUR CURRENT RECOMMENDATIONS FOR FY 83, THE COMMITTEE WON'T BE REPORTING ANY NEW LEGISLATION.

BUT, THE SUBCOMMITTEE WHICH I CHAIR DID REVIEW THE TRANSPORTATION PROGRAM AS PROPOSED BY THE ADMINISTRATION FOR FY 83. WE DID FORMULATE AND VOTE OUT A RECOMMENDATION OF OUR OWN. AND THAT RECOMMENDATION HAS BEEN INCLUDED IN AN OVERALL COMMITTEE RECOMMENDATION ON DOE THAT CHAIRMAN FUQUA HAS TRANSMITTED TO THE BUDGET COMMITTEE AND THE RELEVANT SUBCOMMITTEE ON APPROPRIATIONS.

WITH THAT IN MIND, LET ME BRIEFLY REVIEW OUR ACTIONS IN THE TRANSPORTATION AREA.

AS YOU KNOW, TRANSPORTATION IS PART OF THE DEPARTMENT'S CONSERVATION EFFORT. AND, IT IS AN EXTREMELY IMPORTANT PART OF THAT EFFORT. THE TRANSPORTATION SECTOR CONSUMES OVER HALF OF THE PETROLEUM IN THIS COUNTRY. SO, IF WE'RE SERIOUS ABOUT REDUCING FOREIGN DEPENDENCE, WE HAVE TO BE SERIOUS ABOUT TRANSPORTATION. AND THIS MEANS BEING SERIOUS ABOUT THE AUTOMOBILE.

SEVERAL YEARS AGO, THE COMMITTEE, IN TWO PIECES OF HARD-WON LEGISLATION, ESTABLISHED PROGRAMS TO DEVELOP ALTERNATIVES TO THE INTERNAL COMBUSTION ENGINE. IN THE YEARS SINCE, WE, ALONG WITH YOUR SUBCOMMITTEE, HAVE FULLY SUPPORTED THESE EFFORTS.

BUT NOW, JUST AS THE FIRST MAJOR MILESTONES ARE BEING REACHED, THE ADMINISTRATION HAS RECOMMENDED THAT THE PRESENT "PROOF-OF-CONCEPT APPROACH" BE SCRAPPED. THIS WOULD MEAN TERMINATION, BY THE END OF FY 82, OF THE THREE MAJOR DEVELOPMENT CONTRACTS (G.M., GARRETT/FORD, AND M.T.I.) AND ABANDONMENT OF THE PRINCIPLE OF FEDERAL SUPPORT FOR LONG-TERM, HIGH-RISK AUTOMOTIVE TECHNOLOGY DEVELOPMENT. IT WOULD MEAN WITHDRAWAL FROM PROJECTS THAT ADDRESS THE SINGLE MOST IMPORTANT CONSUMER OF FOREIGN PETROLEUM -- THE AUTOMOBILE. AND, IT WOULD PULL THE RUG OUT FROM UNDER TECHNOLOGIES THAT FORD AND G.M. HAVE TOLD ME MAY BE VERY IMPORTANT TO THEIR FUTURE.

ACCORDINGLY, MR. CHAIRMAN, MY SUBCOMMITTEE IS OPPOSED TO ANY CHANGE IN THE BASIC THRUST OF THESE PROGRAMS. WE BELIEVE THEY SHOULD BE ALLOWED TO REACH A LOGICAL CONCLUSION. YET, THE ADMINISTRATION IS PROPOSING NO FUNDING IN FY 83 TO CARRY THEM FORWARD.

MR. CHAIRMAN, MY SUBCOMMITTEE BELIEVES THIS WOULD BE A MISTAKE. FOR THIS REASON, WE RECOMMEND A TOTAL OF $37.2 MILLION TO "RUN OUT" THE CURRENT HEAT ENGINE PROGRAMS. THIS WOULD ALLOW DOE TO CONTINUE ON THE SCALED-DOWN, PROOF-OF-CONCEPT COURSE THAT BOTH OUR COMMITTEES AGREED TO LAST YEAR.

THE OTHER MAJOR AREA CONTAINED IN THE SUBCOMMITTEE'S RECOMMENDATION IS THE ELECTRIC VEHICLE PROGRAM. HERE AGAIN, THE ADMINISTRATION IS PROPOSING TO ELIMINATE ALL WORK EXCEPT SOME VERY BASIC RESEARCH ON ADVANCED BATTERIES. NOW, OF COURSE, THAT IS ESSENTIAL. BUT, TO BE SUCCESSFUL, AN R&D PROGRAM MUST ALSO DEVELOP CERTAIN TECHNOLOGIES TO THE POINT WHERE INDUSTRY IS CONFIDENT IN THEM. SO, TO CONTINUE THE CURRENT LIMITED EFFORT IN ELECTRIC VEHICLE TECHNOLOGY, WE RECOMMEND $14.4 MILLION.

WE ALSO RECOMMEND $4.2 MILLION TO CONTINUE THE ALTERNATIVE FUELS UTILIZATION PROGRAM AND $1.5 MILLION TO PAY FOR DOE CIVIL SERVICE PERSONNEL TO MANAGE THE ENTIRE TRANSPORTATION PROGRAM.

THE TOTAL IS $57.3 MILLION, WHICH IS SLIGHTLY LESS THAN THE AMOUNT FINALLY APPROPRIATED LAST YEAR.

As a final note, I might add that the auto industry's previous opinion of these programs seems to have changed dramatically. Last year, we couldn't even get them to testify publicly. But this year, not only did Ford and G.M. both come in and support continued funding, but they lobbied hard, as well. We also had a strong endorsement from the U.A.W.

So, I think it's fair to say that the support is very broad.

Mr. Chairman, that concludes my statement. I would be happy to answer any questions.

THURSDAY, MAY 13, 1982.

WITNESS

HON. JIM MATTOX, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF TEXAS

Mr. **McDADE**. We will insert a statement of our colleague, Congressman Mattox, who is tied up in markup session and cannot possibly be here today. He is with the Budget Committee.

[Mr. Mattox's prepared statement follows:]

STATEMENT OF CONGRESSMAN JIM MATTOX BEFORE THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE -- MAY 13, 1982

Mr. Chairman, I appreciate the opportunity to express my thoughts on the Bureau of Land Management's handling of the oil and gas lease lottery program. My major concern, as you will recall from our correspondence last November and December, is with BLM's unprecedented assault on that program by means of tripling the filing fees, with little or no regard for Congressional intent, for the well-being of small businesses, or for public sentiment.

The fact that BLM was given this power at all, as I'm sure you know, is the result of an obscure amendment to last year's Budget Reconciliation Act which allows BLM to increase the lottery filing fee to any new amount it sees fit. I have to believe that Congress had no idea whatsoever of how enormous a change it was making. I believe there is ample reason now to consider reversing that change.

My good friend, neighbor, and colleague Martin Frost has supplied this Subcommittee with a Chronology of Events leading up to the adoption of the final rule which raised the fee to $75. I see in those events a disturbing bias in favor of big oil companies, to the detriment of a Congressionally supported program and its participants. What interests do you suppose were being given priority when those actions were taken?

--Was the will of the Congress served? When the Conference Committee approved the increase from $10 to $25, it added language providing that "any increase in the filing fee above $25 shall be established by regulation and subject to the provisions of the Act of August 31, 1951 (65 Stat. 290) and the Act of October 20, 1976 (90 Stat. 2765). . ." Nothing in either of those Acts indicates any Congressional intent to use the amount of a filing fee as a policy device "to ensure the integrity of the leasing system, to decrease casual speculation and to encourage prompt acquisition of leases on Federal lands by those able and anxious to develop"--but that was the BLM's stated rationale for the increase. The whole idea behind the program when it was created over 20 years ago was to grant to all citizens the same rights that were enjoyed at that time by a limited number of private citizens as well as a substantial number of corporate entities. The actions of the BLM stand that idea on its head.

--Were the views of the public given proper attention? Of the more than 1,700 comments received on the proposal, 99% opposed the increase. BLM's Final Rulemaking announcement blithely dismissed them as representing "no substantive views." This is an out-and-out falsehood, as anyone who examined the comments can tell you. Most of them were thoughtful and constructive, making legitimate arguments which were simply ignored by BLM. The suggestion to raise additional revenues by increasing federal royalties, to name just one example of viable alternatives offered in the comments, was not even mentioned in the Final Rulemaking notice.

--Were the adverse effects of the proposal on small businesses considered? A group of small producers and filing services didn't think so. And when they filed suit in federal court to challenge the way in which the rulemaking was conducted, the Small Business Administration saw its duty and began work toward a friend-of-the-court brief on their behalf. Subsequently, the Interior Department helped to pressure the SBA into dropping its consideration of the suit.

Amid all the damage wreaked by the Bureau in its heavy-handed, "public-be-damned" approach to this issue, I am at a loss to find any interest being served--except, of course, that of the big oil companies who would be perfectly happy to see the lease lottery program destroyed and the federal leases divided according to their designs.

Mr. Chairman, the fact that a federal agency embarked on such an irresponsible course may be alarming and saddening, but it should not be surprising. The actions are in perfect harmony with the attitudes of the current Secretary of the Interior--an arrogant, unelected bureaucrat who seems to lack the vaguest appreciation of his role as a public servant. In a remarkably lengthy series of episodes--among them his abuse of public funds and resources for his private Christmas parties; his bizarre classification of "liberals and Americans," and the subsequent firing of a lobbyist who questioned that characterization; his six-month-long effort to "stonewall" a Congressional inquiry, which ended only when a contempt citation seemed inevitable--the Secretary has well established his lofty disdain for the civilized political process. It is no wonder, then, that his subordinates find it so easy to do such violence to the spirit, if not the letter, of the law.

Mr. Chairman and Members of the Subcommittee, the oil and gas lease lottery program, with its emphasis on the "little guy" and his access to public treasures, makes good sense and good policy. It represents some of the best of our democratic traditions. It would be a disgrace if its original intent were subverted by the back-door dealings of special interests--interests that very well may be at odds with the public interest. I believe we all should consider undoing that ill-advised, ill-conceived portion of the Reconciliation Act by which we unwittingly left a good program vulnerable to its enemies.

Thank you for letting me state my views, Mr. Chairman.

Mr. McDade. At this point we will insert statements from Members who were not able to be present at the hearing. The committee will recess until ten o'clock on Monday morning.

[Whereupon, at 4:15 p.m., the subcommittee recessed, to reconvene at 10:00 a.m., Monday, May 17, 1982.]

[The statements follow:]

WILLIAM E. DANNEMEYER
39TH DISTRICT, CALIFORNIA

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SERVICE

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Washington, D.C. 20515

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(714) [illegible]

May 11, 1982

The Honorable Sidney R. Yates
Chairman
House Appropriations Subcommittee
on Interior and Related Agencies
B-308 Rayburn
Washington, D.C.

Dear Mr. Chairman:

This is in regard to your Subcommittee's hearing on Thursday, May 13, 1982, to consider the FY83 budget for agencies under your jurisdiction.

In view of a committee markup conflict, I would appreciate the inclusion of the enclosed remarks in the committee's hearing record.

Many thanks for your consideration of this request.

Sincerely,

Bill Dannemeyer

William E. Dannemeyer
Member of Congress

WED:sr

Enc. 5 copies of Testimony

THE HONORABLE WILLIAM E. DANNEMEYER
BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE
ON INTERIOR AND RELATED AGENCIES
MAY 13, 1982

Mr. Chairman. I appreciate this opportunity to present my view to the the Subcommittee on Interior Appropriations with respect to the issue of federal research and development programs and the priority of activities in the FY83 appropriation for the Office of Water Research and Technology.

As you know, the Administration has recommended that the water resources research and development institute program, the water resources reuse research and development program, the technology transfer program, and the saline water conversion research and development program be terminated at the end of FY82. The rationale is that the States should wholly support the institute program and the private sector should pick up the balance of the programs.

In my view, these programs should be turned over to the private sector and the States. However, should funds be appropriated, consideration should be given to water reuse and saline conversion research as priorities.

Let me first address the issue of federal research and development funding. The problem we should combat is the declining level of private sector R & D. Increasing federal outlays and deficits have acted as a disincentive to R & D investment. In a survival economy, where taxation has eroded this incentive, is it any wonder that American business takes the short-term view?

The search for a solution to the need for industrial water reuse and saline conversion should be driven by the marketplace. But that search may be shortstopped by federal spending that raises the cost of private sector investment in essential research.

Discussion of funding existing water resource programs should consider the following comment by the General Accounting Office (GAO) from a May 6, 1982 report:

"Water experts believe that nearly every water resources problem, with the exception of physical unavailability, is an institutional one. They have said that the water resources agencies may need to be reorganized to effectively integrate their diverse but related activities." (page 7)

If funds are appropriated, what activites should be considered? Saline water conversion research is a subject of urgent importance. The continual shifting of our population from the Northeast to the arid West and Southwest underscores this need. As the GAO report notes, "because irrigation is so important to the success of agriculture in the West, there is a continually increasing demand for water."

However, studies by Schroeder Process Corporation of Santa Ana indicates that "the need for desalting in Water Reuse is more than five times the need for desalting in both local water shortage and drinking water clean-up combined. The principal cause for the increasing interest in desalting as a tool for Water Reuse is industries' need to comply with the Federal Water Pollution Control Act Amendments of 1972."

The nation now faces the dilemma of ensuring adequate supplies of fresh water in the face of deteriorating facilities, inflating costs, and decreasing budgets, as the GAO notes. My primary concern is the impact of federal spending on the need for increasing private sector R & D. The Subcommittee's consideration of these views is most appreciated.

FRANK R. WOLF
10th District, Virginia

PLEASE RESPOND TO
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Congress of the United States
House of Representatives
Washington, D.C. 20515

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CIVIL SERVICE
HUMAN RESOURCES
POSTAL OPERATIONS
AND SERVICES

May 14, 1982

The Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
Committee on Appropriations
B308 Rayburn House Office Building
Washington, D. C. 20515

Dear Mr. Chairman:

Attached is a copy of my statement concerning funding for the Appalachian Trail Project.

I would greatly appreciate it if you would include this testimony as part of the record for the hearings held before the Interior Appropriations Subcommittee.

Thank you in advance for your assistance with this matter.

Sincerely,

Frank R. Wolf

Frank R. Wolf
Member of Congress

FRW:ph

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

STATEMENT OF
CONGRESSMAN FRANK R. WOLF
BEFORE THE
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
MAY 13, 1982

Mr. Chairman, I appreciate the opportunity to present this statement to the Subcommittee on Interior of the Committee on Appropriations in support of appropriations from the Land and Water Conservation Fund to complete a 24-year old government project, the Appalachian Trail. This 2,100 mile foot trail is the largest and most famous in the world, extending from Maine to Georgia along crests of Appalachian ranges and descending to cross pastoral valleys and the great rivers of the Eastern United States. A portion of this trail transects Loudoun County in the Tenth Congressional District of Virginia which I represent. The Appalachian Trail serves as a retreat for more than 4 million people each year who seek the peace and beauty that only nature can provide.

In 1968 the Congress passed the National Trails System Act to preserve and protect America's wilderness heritage and provide recreational opportunities for the nation's citizens and foreign visitors. The Act designated the Appalachian Trail as one of two initial trails for the National Scenic System. In 1978 the Park Service was empowered to spend $90 million to acquire the right-of-way for the 407 miles of hostile, disjointed trail sections and relocate them away from sprawling urban areas and commuter traffic facilities to bring them under the protection of the system.

To date the Park Service has completed little more than 50 percent of this task, spending $35 million of the $90 million authorized in the 1978 legislation. Park officials have cooperated with property owners to designate appropriate land tracts in acquiring 199 miles of those 407 miles of Trail, with 208 miles remaining to be protected.

Approximately 30 miles are still unprotected in Virginia. Nine relocation projects are currently under way. One of the most critical relocation sections lies about 60 miles from Washington, D.C., in Northern Virginia. It is my belief that discontinuation of this project would not be cost efficient and would be wasteful of federal funds already spent.

Moreover, if these critical links are lost through failure of timely purchase the time consuming and costly process of new route selection, new engineering surveys, and new landowner negotiations must start over. In many cases, property owners and developers are anxious for negotiations to conclude and actively support land transactions so that further urban developing opportunities can be undertaken. As plans are slowed now and stalled later, relocation efforts will become increasingly difficult and expensive. It is estimated that $13.8 million for fiscal year 1983 will be needed to continue those acquisition programs already identified.

This Trail project has received a high level of participation by the people who live along it and provide for its care and maintenance. While voluntary efforts must continue to be encouraged, I believe the federal government also has an obligation to continue the funding for one of the country's most valuable natural resources so that protection can be assured for the Appalachian Trail.

Thank you for your consideration.

ROBERT H. MOLLOHAN
1st District, West Virginia

Committees:
ARMED SERVICES
HOUSE ADMINISTRATION

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House of Representatives
Washington, D.C. 20515

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Fairmont, West Virginia 26554
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Room 1117, Federal Building
Parkersburg, West Virginia 26101
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Room 316, Federal Building
Wheeling, West Virginia 26003
[illegible]

April 23, 1982

The Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB
Washington, D.C.

Dear Mr. Chairman:

I wish to bring to your attention the disastrous effect that the Fish & Wildlife Service's proposal to close 31 national fish hatcheries and cut millions from the hatcheries program will have on the recreational fishing programs and even revenues of our State Governments.

The Department of Natural Resources in Charleston, West Virginia is particularly concerned about the plans to close the Bowden National Fish Hatchery by October 1, 1982 since the State budget restrictions would keep the Department from assuming operations itself. The Fish and Wildlife Service is now informing the States that 31 hatcheries will not be funded, despite no Congressional action on the FY1983 budget, and that State Departments should begin discussions of transfers, if they are interested, immediately.

I have informed the Director of the West Virginia Department of Natural Resources of your plans to hold hearings on the budget proposals of the Interior Department May 20 and of the prospects for strong case against what could be precipitous actions to close almost half our hatcheries. I would be most grateful if you could give these vital programs, including the very successful operation at Bowden, the highest consideration.

With continued best wishes, I am

Sincerely,

Robert H. Mollohan

RHM/dk

NICK J. RAHALL, II
4th District, West Virginia

Committees:
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R K Building
Logan, West Virginia 25601
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February 24, 1982

Fred
Sy has not
[illegible]

The Honorable John B. Breaux, Chairman
Subcommittee on Fisheries, Wildlife, and
the Environment
Washington, D.C. 20515

Dear Mr. Chairman:

I am writing today to request your assistance for the Bowden National Fish Hatchery in Bowden, West Virginia. As you know, the Administration wants to end all funding for this Hatchery in FY 83.

The Department of Natural Resources in West Virginia has contacted me on this matter and informed me that due to the State's current budget restrictions, it would not be able to operate the Bowden Hatchery without federal funds.

Trout fishing is a large industry in West Virginia. In 1960 the Fish and Wildlife Service established the Bowden Hatchery. Since that time the State has developed one of the most efficient stocking programs in the country. The Hatchery produces about 1/3 of the trout stocked in my state. This provides recreation for some 200,000 fishermen who log in 3,000,000 days of fishing each year. It is extimated that fishing adds $40 million to the State's economy each year.

As you can see Mr. Chairman, fishing is an important industry in my state. The closing of the Bowden Hatchery will have a negative impact on West Virginia's economy.

At this time I respectfully ask for your consideration to authorize funding for this program in FY 83. The Fish and Wildlife service was going to ask $215,000.00 to operate this Hatchery in FY 83.

I hope that you will be able to assist West Virginia on this matter. If I can provide any additional information, please feel free to call on me.

Thanking you in advance and with warm personal regard, I am

Sincerely,

Nick

NICK J. RAHALL, II
Member of Congress

Enclosures

cc: The Honorable Sidney Yates, Chairman ✓

THIS STATIONERY PRINTED ON PAPER MADE WITH RECYCLED FIBERS

1982 FEB 16 AM [illegible]

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
CHARLESTON 25305

JOHN D. ROCKEFELLER IV
Governor

DAVID C. CALLAGHAN
Director
WILLIS H. HERTIG, JR.
Deputy Director

February 9, 1982

Honorable Nick J. Rahall, II
Congress of the United States
House of Representatives
408 Cannon Building
Washington, D. C. 20515

Dear Congressman Rahall:

I have just learned that there are no funds included in the Fish and Wildlife Service's FY 1983 budget for staffing or operation of Bowden National Fish Hatchery at Bowden, West Virginia. Furthermore, it is currently planned to phase out the operation of Bowden Hatchery in FY 82.

As I am sure you remember, I wrote to you on October 29, 1981, when it was previously proposed by the Fish and Wildlife Service to close Bowden Hatchery (letter attached).

I am again calling for your assistance, as I did in October, to prevent the closure of Bowden Hatchery and to assure that it receives full funding in the Fish and Wildlife Service FY 83 budget.

The closure of Bowden Hatchery would have a disastrous affect on West Virginia's trout stocking program. It would result in the loss of hundreds of thousands of man days of recreational fishing and millions of dollars of revenue to the state. With our current budget restrictions, the Department of Natural Resources would be unable to operate Bowden Hatchery should it be offered to us.

Your attention to this matter is urgently requested.

Sincerely,

Dave

David C. Callaghan
Director

DCC/rmg

Enclosure

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WASH [illegible] OFFICE
1981 NOV -2 AM 11:07

STATE OF WEST VIRGINIA
DEPARTMENT OF NATURAL RESOURCES
CHARLESTON 25305

JOHN D. ROCKEFELLER IV
Governor

DAVID C. CALLAGHAN
Director
WILLIS H. HERTIG, JR.
Deputy Director

October 29, 1981

The Honorable Nick J. Rahall II
Congress of the United States
House of Representatives
408 Cannon House Office Building
Washington, D. C. 20515

Dear Congressman Rahall:

It has been brought to my attention that the Fish and Wildlife Service FY '82 second round budget cuts call for the closure of the Bowden National Fish Hatchery at Bowden, West Virginia. This hatchery, established by the Fish and Wildlife Service, began production in 1960 and annually produces almost 30% of the catchable trout stocked in West Virginia waters.

West Virginia currently has one of the most effective and progressive trout stocking programs in the nation. This program has been developed over the years as a cooperative effort by the United States Fish and Wildlife Service and the West Virginia Department of Natural Resources.

West Virginia's 200,000 trout fishermen annually fish some three million man days for stocked trout. In addition, trout fishing plays an important role in the State's economy. Each year, trout fishermen spend $40 million on food, lodging, gasoline, and equipment in pursuit of their sport. Trout fishing is big business in West Virginia.

The closure of Bowden National Hatchery would have a disastrous impact on our trout program and result in the loss of hundreds of thousands days of recreational fishing and millions of dollars of revenue to the State. Our current budget restrictions would not permit the Department of Natural Resources to operate Bowden Hatchery should the Fish and Wildlife Service succeed in closing it.

Enclosed is a Resolution adopted by the Natural Resources Commission at their quarterly meeting on October 18, 1981, expressing their opposition to the Fish and Wildlife Service's closure of Bowden Hatchery.

I am, therefore, urging that you take all possible steps to insure that the Bowden National Fish Hatchery receives full funding in the Fish and Wildlife Service's 1982 budget.

Your attention to this matter is urgently requested.

Sincerely,

David C. Callaghan
Director

DCC/rmg

Enclosure

cc: Natural Resources Commission Members

W. G. (BILL) HEFNER
8TH DISTRICT, NORTH CAROLINA

2161 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, D.C. 20515
(202) 225-3715

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SUBCOMMITTEE ON MILITARY CONSTRUCTION
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Congreſs of the United States
House of Representatives
Washington, D.C. 20515

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102 E. FRANKLIN STREET, SUITE 200-201
ROCKINGHAM, NORTH CAROLINA 28379
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April 1, 1982

Fred
[illegible]

Honorable Sidney R. Yates
Chairman, Subcommittee on Interior
House Appropriations Committee
B308 Rayburn HOB

Dear Mr. Chairman:

You are aware that the President's Budget Message to Congress proposes the closing of 31 warm water fish hatcheries throughout the country. One of these is the McKinney Lake Fish Hatchery located in Hoffman, North Carolina, which is in my Congressional District. I am writing to urge that your Subcommittee give this matter serious consideration and again provide sufficient funding to maintain the important fish hatchery program.

The McKinney Lake facility is particularly important to the fish management program in my State of North Carolina and it is absolutely vital to the long range planning of that program for this hatchery to continue in operation. The facility is of great economic benefit to the area, providing both direct and indirect employment. Fish from the hatchery are used throughout North Carolina and some areas of South Carolina to stock ponds, rivers, lakes, and streams. McKinney Lake has an excellent water source and its continued operation as a hatchery is essential to the preservation of wildlife in the area.

One of the criteria used for closing down this facility is the age and condition and the cost of rehabilitation. Fish and Wildlife Service has estimated the cost of rehabilitation of this facility to be $2,780,000. However, the Manager of the facility indicates to me that it would require only $200,000 to bring it up to standard and it is certainly operational in its present condition.

The operating cost of this facility is $90,000 and while I appreciate the Administration's desire to save some $3.7 million with the closure of these 31 hatcheries, elimination of this program may further exacerabate the unemployment and economic problems in the areas where they are located. I also believe such a move would be detrimental to the wildlife and fish management program in North Carolina and other affected states.

If there is additional information I might provide you and your staff on this issue, I would be pleased to do so.

Thank you for your interest and consideration, and with kindest personal regards, I am

Sincerely,

Bill Hefner
BILL HEFNER
Member of Congress

BH/ids

STROM THURMOND, S.C., CHAIRMAN
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VINTON DEVANE LIDE, CHIEF COUNSEL
QUENTIN CROMMELIN, JR., STAFF DIRECTOR

United States Senate
COMMITTEE ON THE JUDICIARY
WASHINGTON, D.C. 20510

March 23, 1982

Representative Jamie L. Whitten, Chairman
House Committee on Appropriations
Room H 218, United States Capitol Building
Washington, D.C. 20515

Dear Mr. Chairman:

We are writing to request your assistance in continuing funding for the United States Fish and Wildlife Service fish hatcheries at Cheraw and Walhalla, South Carolina.

As you may know, funding for these hatcheries was included in the FY 1982 Interior Appropriations Act signed by the President. The proposed FY 1983 Budget does not include any funding for these projects, however, and we are informed that preparations are being made for their closing during the current fiscal year.

These hatcheries are vital to the sustenance of the sport fishery program in South Carolina. Sport fishing is the principal outdoor recreational activity within the State. With the ever-increasing demand on this limited resource, these hatcheries are essential to the maintenance of quality freshwater fishing.

The Cheraw National Fish Hatchery is the sole source of fish production for a forty-two county area of North and South Carolina. Fingerlings from this hatchery stock approximately 800 ponds annually. Moreover, this hatchery produces the entire supply of smallmouth bass for stocking public waters throughout the State.

The Walhalla National Fish Hatchery is the only cold water fish hatchery in the State. Approximately seventy-five percent of the fish stock produced at this hatchery is deposited into Federal waters, including the headwaters of several Federal hydroelectric projects.

These hatcheries have been highly successful operations, and they continue to meet a great demand in our State. The South Carolina Wildlife and Marine Resources Department firmly believes that the State lacks the expertise and financial resources necessary to assume the functions of the Cheraw and Walhalla hatcheries. Accordingly, we urge you to continue the funding for these projects through the coming fiscal year.

With kindest regards and best wishes,

Sincerely,

Strom Thurmond
Strom Thurmond

Fritz Hollings
Ernest F. Hollings

Thomas F. Hartnett
Thomas F. Hartnett

Floyd Spence
Floyd Spence

Butler Derrick
Butler Derrick

Carroll Campbell, Jr.

Kenneth L. Holland

John L Napier
John L. Napier

cc:Representative Silvio O. Conte
House Committee on Appropriations
Room H 218, United States Capitol Building
Washington, D.C. 20510

COMMITTEE ON
BANKING, FINANCE AND
URBAN AFFAIRS
SUBCOMMITTEES:
HOUSING
INTERNATIONAL TRADE
ECONOMIC STABILIZATION

COMMITTEE ON
DISTRICT OF COLUMBIA
SUBCOMMITTEES:
FISCAL AFFAIRS AND HEALTH
GOVERNMENT OPERATIONS AND
METROPOLITAN AFFAIRS

CHAIRMAN, HOUSE TASK FORCE
ON ECONOMIC POLICY
VICE-CHAIRMAN, FEDERAL
GOVERNMENT SERVICE TASK FORCE

STAN PARRIS
Congress of the United States
House of Representatives
Washington, D.C. 20515

8TH DISTRICT
VIRGINIA

WASHINGTON OFFICE:
429 CANNON HOUSE BUILDING
WASHINGTON, D.C. 20515
(202) 225-4376

CENTRAL DISTRICT OFFICE:
6701 LOISDALE ROAD, #116
SPRINGFIELD, VIRGINIA 22150
(703) 922-7640

DISTRICT MOBILE OFFICE
TRAVELS THE DISTRICT
TO SERVE YOU

STATEMENT OF THE HONORABLE STAN PARRIS BEFORE THE INTERIOR SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS COMMITTEE

May 14, 1982

Mr. Chairman. I offer my appreciation for this opportunity to express the wishes of the people of the Eighth District of Virginia for Park Service acquisition of several small parcels of environmentally sinsitive land. I wish to commend the Chairman for providing his colleagues with this valuable opportunity.

I feel that we owe a special duty to our country to preserve the natural resources and heritage of the Nation's Capital and its environs, especially because of its historic character. In Mason's Neck, a peninsula in my district between the Occoquan Bay and the Potomac River, which was the home of George Washington and George Mason, there resides, appropriately enough, a community of Bald Eagles.

In the late 1960's, my constituents began a series of initiatives to ensure the environmental integrity of Mason Neck. The establishment of the Mason's Neck Wildlife Reserve, Mason's Neck State Park, and two regional parks administered by the Northern Regional Park Authority was designed to prevent development of Mason's Neck because of the obvious historical and environmental value of the area.

Statement of the Honorable Stan Parris (Con't)

While the acquisition of the Reguge and the State Park is complete, 355 acres of private holdings remain unacquired. The Northern Virginia Regional Park Authority has attempted to secure state funding for this acquisition for ten years. These attempts at the state level have unfortunately not been successful.

The land the Park Authority hopes to acquire and that which it already owns are the only active Bald Eagle nesting territories on Mason Neck. These tracts require active federal habitat management because they are home to the Bald Eagle. A plan for such management has been worked out between the Park Authority and the Fish and Wildlife Service for these tracts, under the terms of a rental agreement which I am also submitting for your information. In short, the necessary arrangements have been made for ensuring the habitat of the valuable national symbols residing on Mason Neck, if only the remaining land can be acquired.

Unfortunately, time is running short as the owners of the three parcels comprising the unacquired 355 acres are facing considerable financial pressures to sell their properties, because of their individual circumstances, which would be inappropriate for me to expound on at this point. We can no Longer depend on the designation of these properties for future park land, because the inability of the Park Authority to obtain matching funds from the Commonwealth of Virginia after ten years is removing doubts in the market place as to the marketability of the parcels. Two properties are available for purchase by private developers, and advertising has already begun for them.

Statement of the Honorable Stan Parris (Con't)

In conclusion, therefore, I respectfully urge the subcommittee to recommend the appropriation of funds in the amount of $2.75 Million for the acquisition of 355 acres on Mason Neck for the protection of the habitat of the community of Bald Eagles there for the protection of the wetlands on that peninsula, and for the benefit of the preservation of the unique historical contribution that the protection of this area can provide for future generations of Americans.

FACT SHEET ON PROPOSED ADDITIONAL FISH & WILDLIFE SERVICE ACQUISITION ON MASON NECK

FAIRFAX COUNTY, VIRGINIA

1. The subject properties encompassing 355 acres, are the last inholdings within a well-planned complex of conservation and park areas on Mason Neck. This complex represents a coordinated effort of the Federal Fish & Wildlife Service, the Virginia Division of State Parks and the Northern Virginia Regional Park Authority. The map marked Exhibit A identifies the subject 355 acres in relation to existing publically-owned lands.

2. The subject properties are an integral part of the nesting area of the American bald eagle. This is an important wildlife habitat which conservationists and governmental agencies have sought for many years to protect and preserve. The attached Environmental Assessment marked Exhibit B further explains the significance of these properties.

3. In the 1960's the Northern Virginia Regional Park Authority announced its intensions to acquire the subject 355 acres as part of a then-planned 1,145-acre Regional Park, intended to help preserve these critical wildlife areas and to provide outdoor recreation facilities. The Northern Virginia Regional Park Authority has accomplished the acquisition of 790 acres. However, in the ensuing years, it has become apparent that the Fish & Wildlife Service is the appropriate custodian of these lands because of (1) its expertise in the management of such wildlife areas and (2) it would not be pressured to develop the lands for intense recreational use. Furthermore, on numerous occasions over the last fifteen years, the Northern Virginia Regional Park Authority has applied for matching Land and Water Conservation Funds to assist in acquiring the subject properties, but was turned down on each occasion by the Virginia Commission of Outdoor Recreation, the state agency which administers the Fund in Virginia. The Northern Virginia Regional Park Authority could not afford to purchase the properties without matching grant assistance.

4. The Northern Virginia Regional Park Authority and Fish & Wildlife Service have agreed upon an arrangement whereby existing Regional Park lands will be leased to the Fish & Wildlife Service for management as part of the Wildlife Refuge, with the understanding the Fish & Wildlife Service would endeavor to acquire the subject inholdings. The Lease is attached as Exhibit C.

5. The subject lands are now under three separate ownerships. Refer to Exhibit A for locations of the parcels.

Parcel 18
Acreage - 296
Owner - Jan King Evans
Address - 3033 Woodland Drive, N.W.
Washington, D. C. 20008

Telephone - (202) 234-6251

Parcel 10g
Acreage - 45
Owner - The Nature Conservancy
Contact - Michael Dennis, General Counsel
Address - 1800 North Kent Street
Arlington, Virginia 22209
Telephone - (703) 841-5300

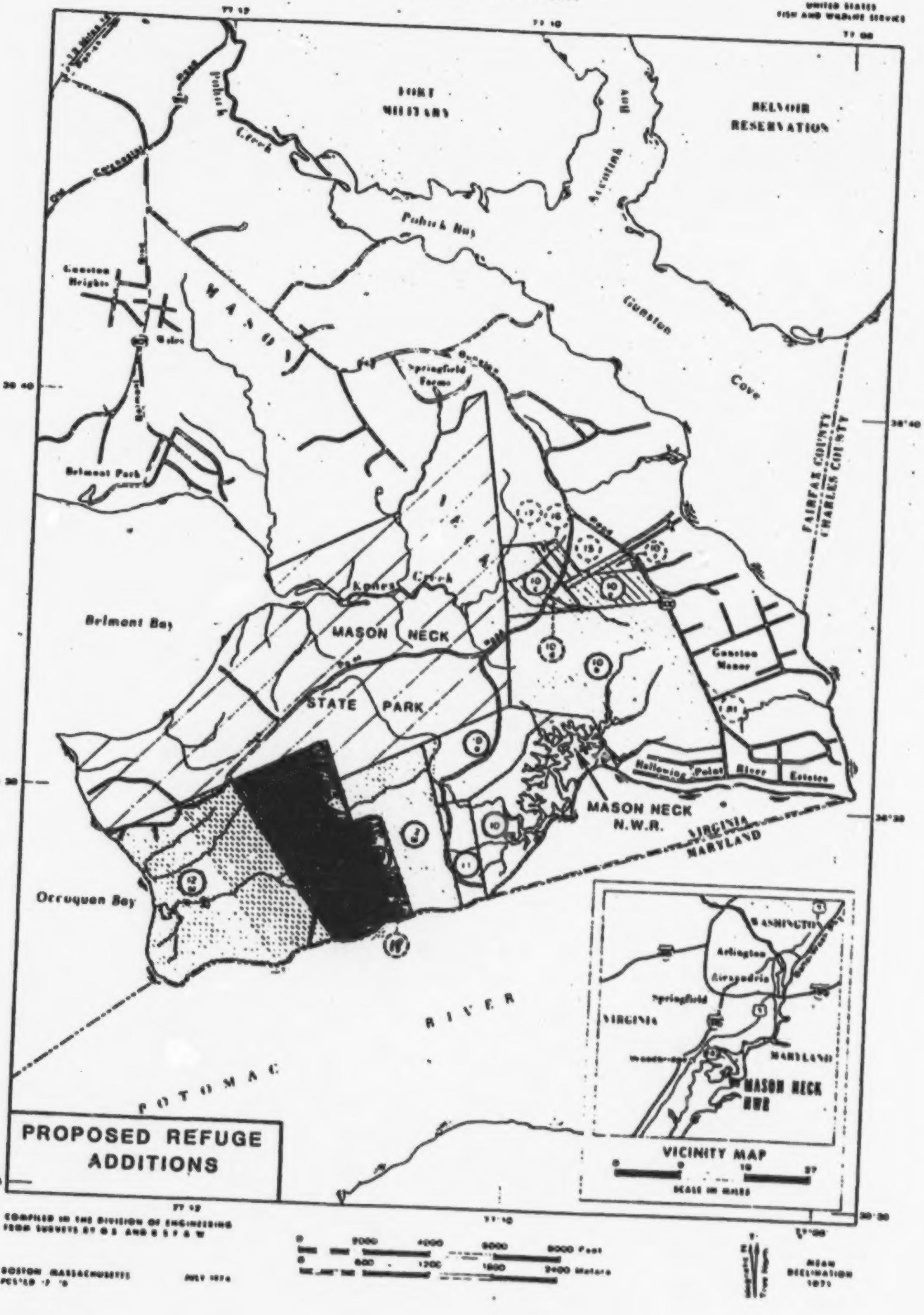
Parcel 19
Acreage - 14
Owner - Ludlow King
Address - 5818 Hillborne Way
Chevy Chase, Maryland 20015
Telephone - (301) 654-4295

DCH:ccm
5/12/82

EXHIBIT A

MASON NECK NATIONAL WILDLIFE REFUGE

FAIRFAX COUNTY, VIRGINIA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UNITED STATES FISH AND WILDLIFE SERVICE
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BELVOIR RESERVATION
Pohick Creek
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Gunston Cove
Gunston Heights
Belmont Park
Belmont Bay
Springfield Farms
MASON
Kanes Creek
MASON NECK
STATE PARK
Gunston Manor
Hallowing Point River Estates
MASON NECK N.W.R.
FAIRFAX COUNTY
CHARLES COUNTY
VIRGINIA
MARYLAND
Occoquan Bay
POTOMAC RIVER
PROPOSED REFUGE ADDITIONS
VICINITY MAP
WASHINGTON
Arlington
Alexandria
Springfield
VIRGINIA
MARYLAND
Woodbridge
MASON NECK NWR
SCALE IN MILES
COMPILED IN THE DIVISION OF ENGINEERING FROM SURVEYS BY G S AND B S F & W
BOSTON, MASSACHUSETTS
JULY 1974
2000
4000
6000
8000 Feet
600
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2400 Meters
MEAN DECLINATION 1971

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EXHIBIT B

ENVIRONMENTAL ASSESSMENT

PROPOSED ADDITIONS TO

MASON NECK NATIONAL WILDLIFE REFUGE

FEBRUARY 1981

U.S. FISH AND WILDLIFE SERVICE

REGION 5

ONE GATEWAY CENTER, SUITE 700

NEWTON CORNER, MASSACHUSETTS 02158

ENVIRONMENTAL ASSESSMENT
PROPOSED ADDITIONS TO MASON NECK NATIONAL WILDLIFE REFUGE

I. Purpose and Need

A. Purpose for Action

This assessment proposes an action that, if implemented will:

1. Provide additional wildlife habitat for the refuge wildlife interpretation and conservation education program.
2. Protect the active eagle nesting, feeding, and loafing areas by precluding disturbance and adverse development.
3. Protect the overall character of the lower Mason Neck peninsula by preventing changes in land use that would be incompatible with the objectives of surrounding public lands already acquired by the Northern Virginia Regional Park Authority, the Virginia Division of Parks, and the U.S. Fish and Wildlife Service.

B. Need for Action

In the late 1960's, concern by public and private interests over the environmental integrity of the Mason Neck area, especially its value as a nesting and roosting area for bald eagles, prompted a coordinated drive to secure the area by public land acquisition. This move, with active support from The Nature Conservancy, Bureau of Outdoor Recreation, (now HCRS), and local interests, resulted in the establishment of the Mason Neck NWR, the Mason Neck State Park, and the Pohick Bay and Potomac Shoreline Regional Parks (administered by the Northern Virginia Regional Park Authority.) Mason Neck Refuge was the first national wildlife refuge in the Nation to be established specifically for the bald eagle. Together with the previously acquired Gunston Hall Plantation, these areas assured that a significant portion of Mason Neck would be protected from undesirable development.

Acquisition of the Refuge and State Park are complete. However, the Regional Park Authority has been unable to acquire the last 355 acres of their Potomac Shoreline Regional Park because a portion of their required funding expected from the Virginia Commission of Outdoor Recreation could not be secured. These private inholdings and the existing lands of the Regional Park contain the only recently active bald eagle nesting territories on the Neck. These tracts require active habitat management and protection which the Regional Park Authority cannot provide.

There is considerable economic pressure on the owners to sell their property. They had been expecting to sell to the Regional Park Authority and held their property for nearly 10 years, unable to find other buyers because of the stated plans of the Authority to include the lands in the Park. Since the potential for purchase by the Regional Park Authority may have ceased to exist, the properties are available for purchase by developers on the private market, and advertising of the properties has begun. Development of Mason Neck State Park will involve construction of an improved access (High Point Road) which will make development much more feasible.

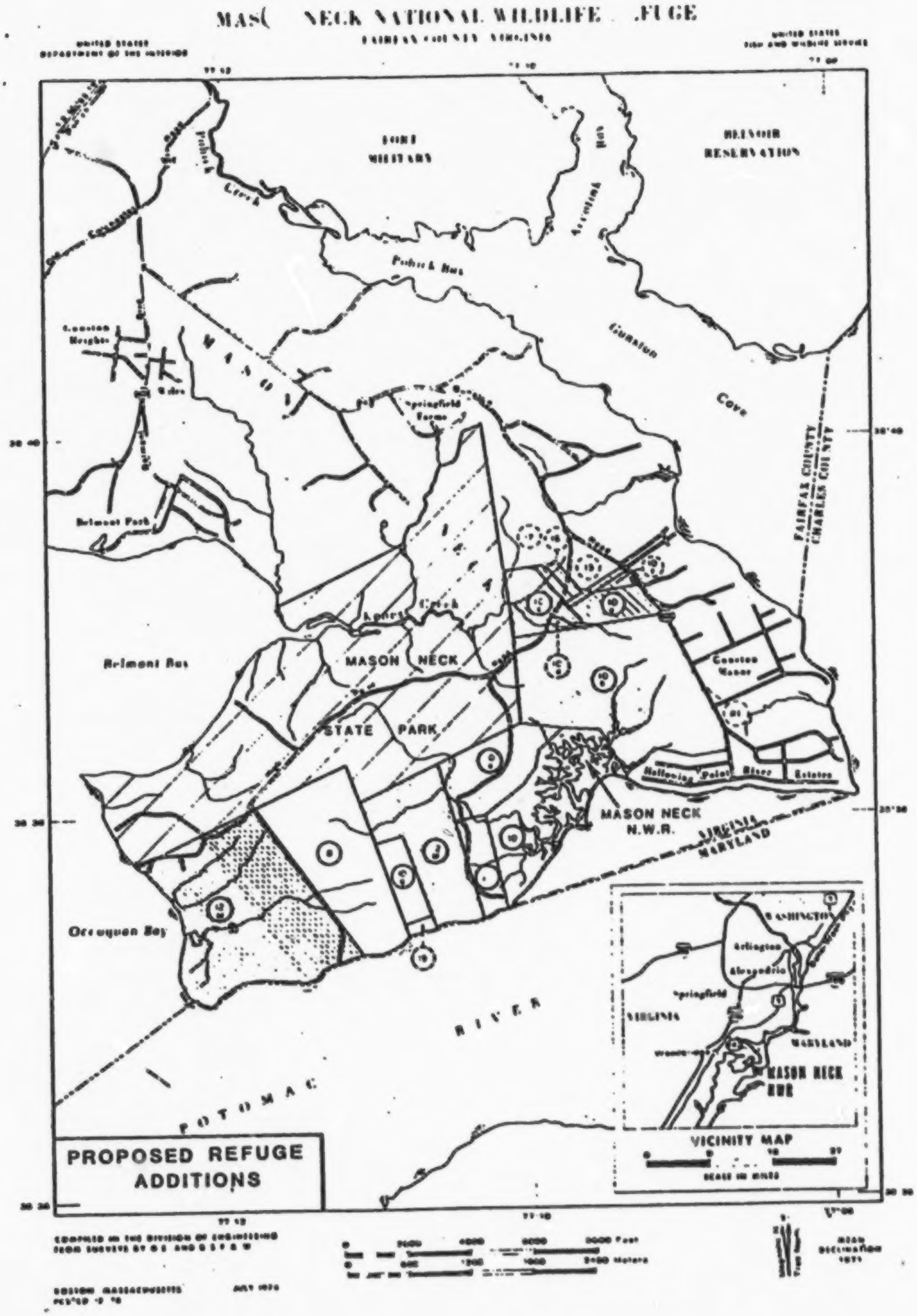
Mason Neck Refuge has been identified by the Fish and Wildlife Service (Region 5) as a priority field station for conducting outdoor classroom activities because of its proximity to the Washington, D.C. area. The adjacent Mason Neck State Park, if fully developed,* will provide hiking, boating, horse and bicycle trails, picnicking, and administrative facilities for an estimated maximum of 21,000 people daily during the summer season. The Refuge will attract many of these visitors and must be able to provide the alternate forms of wildlife-oriented recreation that are available as part of the National Wildlife Refuge mission, for instance, environmental education and wildlife interpretation and observation. Limited EE and interpretive facilities in the area are now provided by the National Park Service at Prince William Forest Park (20 miles southwest) and at the four Fairfax County parks. The other public landowner, the Regional Park Authority, has leased Potomac Shoreline Regional Park holdings on Mason Neck to the Service and these tracts are managed as part of the Refuge.

Since portions of the present refuge and the leased lands of Potomac Shoreline Regional Park are sensitive eagle-use areas and/or are wetland in character, the addition of these inholdings will permit greater flexibility in the selection of areas to conduct refuge educational, interpretive and other wildlife-oriented recreation programs. Visitor programs on this addition will be extended into the refuge and leased lands with focus on the bald eagle and have special provisions for handicapped visitors.

II. Alternatives Including the Proposed Action

The areas of consideration in this Environmental Assessment are three tracts of woodlands (labeled 10g, 18, and 19 on the enclosed map) totalling approximately 355 acres, located southwest of the current refuge. These lands are currently considered inholdings within the Potomac Shoreline Regional Park (comprising the two tracts labeled 12m on the map, now leased to the Fish and Wildlife Service). The various actions presented in this section describe methods of preserving and enhancing wildlife values, protecting the quality of the human environment, and providing visitor enjoyment of the area and its wildlife.

* Mason Neck State Park Master Plan Map, 1978. Only Phase I has been approved and it will include an access road, a staff residence, maintenance area, visitor center/administration complex, nature trail, and adjoining picnic and parking areas.


MAS(NECK NATIONAL WILDLIFE .FUGE
FAIRFAX COUNTY VIRGINIA
UNITED STATES DEPARTMENT OF THE INTERIOR
UNITED STATES FISH AND WILDLIFE SERVICE
FORT MILITARY
BELVOIR RESERVATION
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Pohick Bay
Gunston Cove
Gunston Heights
Belmont Park
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STATE PARK
Springfield Farms
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MASON NECK N.W.R.
VIRGINIA
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FAIRFAX COUNTY
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Occoquan Bay
POTOMAC
RIVER
PROPOSED REFUGE ADDITIONS
WASHINGTON
Arlington
Alexandria
Springfield
VIRGINIA
MARYLAND
MASON NECK NWR
VICINITY MAP
SCALE IN MILES

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A. The Proposed Action

The Fish and Wildlife Service proposes to acquire in fee the private lands labeled 10g, 18 and 19 on the enclosed map and include them as part of Mason Neck National Wildlife Refuge. As part of the refuge, the acquired area would be managed under the policies and regulations of the U.S. Fish and Wildlife Service and its National Wildlife Refuge System. Objectives would include provision of environmental education and wildlife-oriented recreation opportunities and management and preservation of the endangered bald eagle and its habitat.

B. Alternative I - No Action

In this alternative, no property or interest in property would be acquired by the Fish and Wildlife Service. Because of high local property tax rates, the current owners would very likely sell the property on the open market for residential development. Planned Mason Neck State Park access improvement will make this much more feasible. Land use changes that might then occur include timber harvest, hunting, shoreline dock construction, and increased water-based recreation along the south shoreline of the peninsula.

Since the NVRPA originally committed to acquire these lands for the Potomac Shoreline Regional Park, they could still do so should funds become available. Also, failure by the FWS to acquire the tracts can result in revocation of the lease of existing NVPRA lands and subsequent development of the park to meet increasing pressures for more intensive recreational activities.

ALTERNATIVE COMPARISON

Alternative	Refuge Visitor Programs	Protection of Eagles	Protect Character of Area
Proposed Action	++	+	++
Alternative I - No Action	-	-	-
Alternative II	0	+	+

++ Significant Positive Effect
+ Some Positive Effect
0 No Effect
- Some Negative Effect

C. Alternative II - Easement and Tax Abatement

The Service could secure conservation (development) and agricultural/timber easements and, in turn, the land owner could be granted Federal and State income and inheritance tax relief and local property tax abatement based on the reduced fair market value of the property. The owners would maintain ownership of the lands. This alternative is only partially within the jurisdiction of the Fish and Wildlife Service, tax considerations being the responsibility of federal, state and Fairfax County tax authorities.

This alternative would not fulfill the needs described in I.B., in that the Service, while protecting the wildlife habitat, would not be able to expand visitor use into the area.

III. Affected Environment

The tracts of land under consideration are 100% wooded with oak, beech, maple, hickory, cherry, walnut, and a scattering of Virginia pine. About 30 years ago, much of the area was logged. The topography is generally rolling with elevations varying from 5 to 50 feet above mean sea level.

Soils in the area vary, and drainage and percolation are poor and would be marginally suitable for residential development, although two engineering studies done in 1975 give conflicting conclusions. There is standing ground water in several places. Approximately 2,311 feet of the property is frontage on the Potomac River. Much of the river frontage is along steep bluffs rising 15'-30' in height, where erosion is noticeable. Trees along these bluffs are used as feeding perches for bald eagles. Except for the beach area, the entire property is above the designated floodplain.

The three tracts are bordered on the east and west by lands of the Potomac Shoreline Regional Park (leased to the FWS), on the north by Mason Neck State Park, and on the south by the Potomac River. Access is currently poor. Tracts 10g and 19 are about 2.6 miles from Gunston Road, a two lane asphalt road. From Gunston Road going southwesterly, it is about one mile along High Point Road, a narrow gravel road to Sycamore Point Road. It is then 1.3 miles along Sycamore Road, a narrow, sand-clay road through part of Mason Neck NWR, then along about 0.3 mile of an overgrown former logging road. Tract 18 is about 2.7 miles westerly from Gunston Road and its northwest corner is located about 215' south from the centerline of High Point Road. In 1971, the owner purchased a 100' wide and 344' average long right-of-way easement for access from High Point Road.

The entire proposal area is within the territory of the pair of bald eagles now nesting about 1/4 mile west of the property. As long as suitable nest trees and a food supply exist and human disturbance is minimal, these eagles could nest on the proposed area. As on much of the rest of Mason Neck, the habitat is heavily used by many other species of birds during the nesting season and in migration periods. Other wildlife species present are those typically found in this forest type.

IV. Environmental Consequences

A. The Proposed Action

Acquisition in fee of the 355 acres under consideration would protect the remaining undeveloped lands on Mason Neck as wildlife habitat. As an addition to Mason Neck National Wildlife Refuge, the tracts will be developed to enhance the wildlife interpretation and environmental education programs of the refuge and complement public recreation at Mason Neck State Park. Threats of land use changes that would be detrimental to the mutual objectives of the public land agencies to preserve the natural character of Mason Neck would be precluded.

The acreage would be removed from the tax rolls of Fairfax County resulting in a short-term loss of revenue. Refuge Revenue Sharing Act payments estimated to be approximately $17,000 (1980) would more than compensate this loss. New residential construction which might have occurred on the tracts to be acquired would be curtailed, meaning a loss of additional potential tax revenue.

This action will keep all of the current eagle nesting territory in a natural state and offer the Fish and Wildlife Service the opportunity to manage the habitat to keep it attractive to eagles. Visitor use for wildlife interpretation and environmental education would have to be planned and controlled to minimize disturbance to the Neck's eagles.

B. No Action

If the Service does not acquire the property and new funding sources become available to the Regional Park Authority, the Authority could acquire the property and, by terminating its lease to the Service, proceed with development of Potomac Shoreline Regional Park. It could be anticipated that in response to demand, visitor usage would be more intensive and more recreation-oriented than that normally allowed on refuge lands.

If neither the Service nor the NVRPA acquired the 3 tracts, the current owners would have little choice other than to sell for development. Residential development would change the character of Mason Neck, defeating the original objectives of the late 1960's to preserve the environmental integrity of the area, especially its value as an eagle nesting and roosting area. Any land use changes involving increased and uncontrolled human activity in the proposal area would very likely result in loss of the existing eagle nesting territory and reduction or loss of eagle use of traditional feeding, roosting and loafing areas. They would also eliminate the chance of future expansion of nesting activity on the peninsula as eagle production increases in the Chesapeake Bay area. Resident populations of other wildlife species could be diminished by increased human activity depending on their tolerance to stress. Of primary concern, in addition to the eagles, is a heron rookery about 3/4 mile to the west which could be lost if subject to disturbance during critical nesting periods.

Design, operation, and protection of ongoing and future wildlife management and public use programs of both the refuge and Mason Neck State Park would be impacted by the essentially uncontrolled access which will exist by way of High Point Road and Sycamore Point Road should the tracts in question be developed. The degree and severity of impacts will depend on intensity and type of development.

C. Easement and Tax Abatement

This alternative would meet the need to complete the protection of a significant portion of Mason Neck from undesirable development, especially for the sake of nesting and roosting bald eagles. The property would remain in private ownership and be protected from trespass as any other private land. However, landowners are left with little more than ownership and its associated rights and liabilities and limited recreational use of their property in exchange for some tax relief. The assurance that the property will remain protected in a natural state may not be an incentive for an owner holding property as an investment.

This alternative would not provide the needed expansion of the refuge visitor programs. As Mason Neck State Park is developed, visitor pressure will substantially increase and tax existing capabilities of the refuge.

V. List of Agencies and Persons Consulted

A. Federal

Heritage Conservation and Recreation Service
Delmarva Area Office, U.S. Fish and Wildlife Service
Mason Neck National Wildlife Refuge
Virginia Cooperative Wildlife Research Unit
Chesapeake Bay Bald Eagle Recovery Team

B. State of Virginia

Commission of Outdoor Recreation
Commission of Game and Inland Fisheries
Council on the Environment
Division of State Parks
Northern Virginia Regional Park Authority
Virginia Outdoors Foundation
Department of Intergovernmental Affairs (A-95 Clearinghouse)

C. Local

Fairfax County - Mt. Vernon District

D. Private Organizations

The Nature Conservancy (Affected Landowner)
Conservation Council of Virginia, Inc.
Virginia Wildlife Federation
Northern Virginia Conservation Council

E. Individuals

Ludlow King (Affected Landowner)
Jan Evans (Affected Landowner)

EXHIBIT C

LEASE AGREEMENT
COVERING LANDS OF THE
POTOMAC SHORELINE REGIONAL PARK

THIS LEASE AGREEMENT, made and entered into this ______ day of __________, 19____, by and between the NORTHERN VIRGINIA REGIONAL PARK AUTHORITY, a corporate and political body organized and existing under the laws of the State of Virginia (hereinafter called the Authority), for itself, its successors and assigns, and the United States of America, acting by and through ______________________, Regional Director, United States Fish and Wildlife Service (Region 5), Department of the Interior, offices located at One Gateway Center, Newton Corner, Massachusetts 02158 (hereinafter referred to as the Service).

WITNESSETH:

1. In consideration of the mutual covenants herein and the benefits to such lands to be derived from their use pursuant to this lease, and

2. In recognition of past actions whereby the Authority, the Service and the Virginia State Park Division, in response to public and private concerns over development threats in the 1960's to the endangered bald eagle and other natural resources of the Mason Neck peninsula, and in cooperation with other agencies and conservation organizations, agreed to protect these resources through a coordinated land acquisition effort that resulted in the establishment of the Mason Neck National Wildlife Refuge, the Mason Neck State Park and the Potomac Shoreline and Pohick Bay Regional Parks, with each agency assuming responsibility for acquisition within designated areas, and

3. Whereas the acquisition of lands by the three agencies has been essentially completed with the exception of the Potomac Shoreline Regional Park where the acquisition of private inholdings, totaling 355 acres with an estimated value of $______________, has not been accomplished because of unsuccessful attempts by the Authority to obtain required matching funds, and

4. Whereas, these inholdings, if left in private ownership, are subject to changes in land use and activities that would jeopardize the objectives of all involved agencies, and

5. In recognition of the need to complete the coordinated acquisition program, thereby eliminating the threats to existing holdings and objectives posed by potential adverse use of the private inholdings within Potomac Shoreline Regional Park, and

6. Whereas, the Service and Authority share similar concerns and objectives for their respective areas and acknowledge that it is in the interest of the Service, the Authority, and the general public, for the two agencies to assist and cooperate in ensuring the long-term protection of the endangered bald eagle and other resources on the Mason Neck peninsula,

7 (a) It is mutually agreed that the Service will vigorously pursue the acquisition by purchase or lease of the private inholdings in the Potomac Shoreline Regional Park as an addition to the Mason Neck National Wildlife Refuge under the Service's acquisition authorities, and that, upon such acquisition by the Service or the acquisition of the private inholdings by some other agency under an agreement to hold the property for the Service, the Authority shall by this lease agreement lease to the United States, for a term of sixty (60) years, upon the terms and conditions hereinafter set forth, the lands, tenements and hereditaments, together with all the rights, easements and appurtenances thereunto belonging, owned by the Authority within the Potomac Shoreline Regional Park, as shown on the attached map, Exhibit A, incorporated herein by reference.

(b) It is further agreed that if, within five years from the date of this agreement, the Service shall not have acquired the private inholdings or entered into an agreement with some other agency for the holding of the properties for the Service, this Agreement shall become null and void, with no further obligation or duty of either party hereto to the other.

(c) Furthermore, it is mutually agreed that, in the event the Service fails to protect and maintain the above-referenced lands covered by this lease agreement as a portion of the National Wildlife Refuge System, then these lands shall revert to the grantor, the Northern Virginia Regional Park Authority.

8. The following terms and conditions by mutual agreement shall govern the use of said land for the purposes hereinabove provided:

(a) Preservation and management of the endangered bald eagle and its habitat is to be the primary objective of all land use and land management activities, and to the extent permitted by other laws, funding constraints and manpower availability, the Service will manage the above-described property for the benefit of bald eagle populations, utilizing such management practices as may be determined by the Service to be desirable to meet this objective.

(b) The above-described lands shall be protected as a unit of the National Wildlife Refuge System; therefore, it is further agreed that Service employees are authorized to enforce all appropriate laws and regulations set forth in Title 50, Code of Federal Regulations, relating to trespass, hunting, trapping, public entry and use, and protection of wildlife on units of the Refuge System.

(c) The Service shall provide for public access and recreational uses and the conduct of wildlife and environmental studies on the leased land, which shall be established no later than five years from the date of completion of acquisition of the inholdings as set forth in sub-paragraph 7 (b) above. Such public uses shall be provided and operated in a manner compatible with the preservation and management of the eagle habitat and shall include but not be limited to hiking and nature study, wildlife observation, interpretation of wildlife and other resources and environmental education.

(d) The continued presence of improvements located on the above described lands, consisting of three residences and various appurtenances, are detrimental to the objectives of the area by reason of their close location to eagle use areas, their unsuitability for present or long-term use by either the Service or the Authority, the potential conflicts of permitting their use by other organizations or by private citizens, and the high cost of needed repairs and continuing maintenance. It is therefore further agreed that the Service will dispose of these improvements through sale and/or salvage, with the receipts from such sale and/or salvage, if any, going to the Authority.

(e) The Executive Director of the Authority and the Area Manager of the Service, together with appropriate staff, shall meet upon the request of either agency, at mutually convenient times, to review operations under this lease agreement.

(f) Requests for, and grants of easements across the property covered by this lease agreement are to be directed to, and processed by the Authority, in consultation with the Area Manager, Fish and Wildlife Service. However, the Authority must receive written approval from the Regional Director, Region 5, Fish and Wildlife Service, before the Authority may grant any easement across lands leased under this agreement.

IN WITNESS WHEREOF, the Lessor has caused this lease to be signed by its duly authorized officer on the day and year first written above.

NORTHERN VIRGINIA REGIONAL PARK AUTHORITY

By____________________________________
Chairman

Attest:

____
Secretary

The foregoing lease, covering the land herein described and subject to the conditions therein stated, is accepted on behalf of the United States this _______ day of __________________, 19____.

UNITED STATES OF AMERICA

By____________________________________
Regional Director
Fish and Wildlife Service
U. S. Department of the Interior

STATE OF VIRGINIA)
)
COUNTY OF FAIRFAX)

I, __________________________________, a Notary Public for the State and County aforesaid, do certify that ____________________________________, whose name is signed to the writing hereto annexed bearing date on the _____ day of ________________________, 19____, has acknowledged the same before me in my County aforesaid.

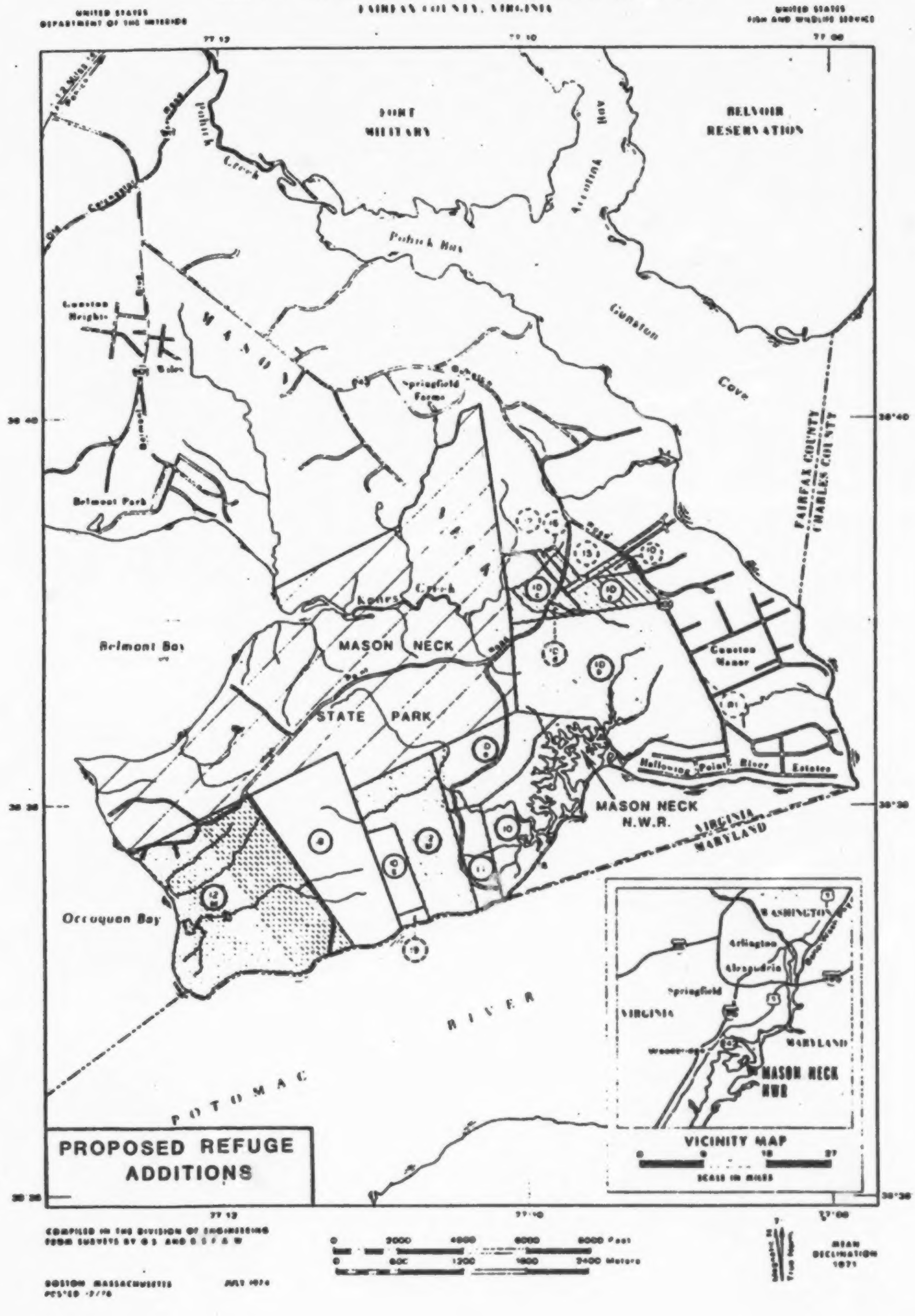
Given under my hand this _______ day of _______________________, 19_____.

____
Notary Public

My Commission expires ____________________________.

MASON NECK NATIONAL WILDLIFE REFUGE

FAIRFAX COUNTY, VIRGINIA


UNITED STATES
DEPARTMENT OF THE INTERIOR
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MASON
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PROPOSED REFUGE
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COMMITTEE ON
BANKING, FINANCE AND
URBAN AFFAIRS
SUBCOMMITTEES:
HOUSING
INTERNATIONAL TRADE
ECONOMIC STABILIZATION

COMMITTEE ON
DISTRICT OF COLUMBIA
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CHAIRMAN, HOUSE TASK FORCE
ON ECONOMIC POLICY
VICE-CHAIRMAN, FEDERAL
GOVERNMENT SERVICE TASK FORCE

STAN PARRIS
Congreſs of the United States
House of Representatives
Washington, D.C. 20515

8TH DISTRICT
VIRGINIA

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DISTRICT MOBILE OFFICE:
TRAVELS THE DISTRICT
TO SERVE YOU

June 8, 1982

The Honorable Sidney R. Yates
Chairman, Interior Subcommittee of the House Appropriations Committee
B308 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

I wish to express my appreciation for the opportunity you afforded your colleagues to submit testimony on May 13. I availed myself of that opportunity and today respectfully request your acceptance of an addendum to my original statement.

It was not until May 13 that I received a formal written request from a group of constituents from Alexandria, Virginia for the acquisition by the National Park Service of a tract of land in their city. The problems my constituents feel would be addressed by acquisition are twelve years old and well-publicized. But I did not receive a formal written request after the exhaustion of any possible administrative solution until May 13.

Subsequently, I have circulated the request among local officials in Alexandria for their comment, assembled chronological documentation of this complex issue for your and my information and solicited comments from officials of the Chessie System and the Richmond, Fredericksburg and Potomac Railroad, the current owner of the tract.

Hence the reason for the late submission of the accompanying statement. Any consideration which you see fit to give it would be greatly appreciated by my constituents and by all Americans who will use the George Washington Memorial Parkway. Thank you for your assistance.

With kindest regards.

Sincerely,

Stan Parris

Stan Parris
Member of Congress

SEP/bp

COMMITTEE ON
BANKING, FINANCE AND
URBAN AFFAIRS
SUBCOMMITTEES:
HOUSING
INTERNATIONAL TRADE
ECONOMIC STABILIZATION

COMMITTEE ON
DISTRICT OF COLUMBIA
SUBCOMMITTEES:
FISCAL AFFAIRS AND HEALTH
GOVERNMENT OPERATIONS AND
METROPOLITAN AFFAIRS

CHAIRMAN, HOUSE TASK FORCE
ON ECONOMIC POLICY
VICE-CHAIRMAN, FEDERAL
GOVERNMENT SERVICE TASK FORCE

STAN PARRIS
Congress of the United States
House of Representatives
Washington, D.C. 20515

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DISTRICT MOBILE OFFICE
TRAVELS THE DISTRICT
TO SERVE YOU

June 9, 1982

Mr. Chairman. I appreciate this opportunity to submit an addendum to my statement to the distinguished members of the subcommittee of May 14, 1982.

In June 1971, the Department of the Interior approved an exchange agreement with Mr. Charles Fairchild, who had a lease on land owned by the Richmond, Fredericksburg and Potomac Railroad in northeastern Alexandria, whereby Mr. Fairchild received valuable access rights to the George Washington Memorial Parkway in exchange for a 28-acre parcel of environmentally sensitive wetland in Dyke Marsh several miles south of Alexandria. Mr. Fairchild was bargaining in good faith for the access necessary to make his and the railroad's plans for developing their land viable.

At the time, Interior's actions in effecting the exchange agreement raised several questions which even today my constituents feel remain unanswered. For instance, while the rationale for the Park Service to acquire the remainder of Dyke Marsh was to protect the 400 acres it already owned there from development, extensive rezoning, access construction and landfilling would have been required before any development could have been contemplated. Further, when Secretary of the Interior Hickel approved the exchange he was sharply criticized for not consulting with the Virginia Senators and Congressman John E. Moss (D-Calif.) who had taken a special interest in the Parkway (indicating the national import any change in its character would have). Another troubling question never answered to my constituents' satisfaction was whether the federal government had not indeed traded away the valuable access rights for a piece of land of substantially less value.

Questions as to how the exchange was executed raise serious doubts as to the desirability of the agreement but did not impinge on its legality as a contract. Having secured access rights to the Parkway, Mr. Fairchild was unable to secure approval of a detailed design for the construction of the interchange. Thus having failed to satisfy the performance clause of his rental contract with the Richmond, Fredericksburg and Potomac Railroad, he lost his lease on its 23-acre tract. However the lease stipulated that the exchange agreement would survive the termination of the lease. So the Railroad retains the access rights to the Parkway and is searching for another development partner to which to lease its 23-acre tract.

There are more reasons why plans for the development are as undesirable now as they were in 1971. The traffic impact of a development with unlimited access to the George Washington Memorial Parkway would be extremely detrimental to the quality of life of my constituents from Alexandria to Mount Vernon. The increased traffic on the Parkway would make it more of a commuter artery, which would fly in the face of the intent of Congress in 1932 to create a scenic road which all Americans could enjoy as they drove into Northern Virginia from all points of the United States to visit the home of the Father of Our Country. Further, the development of the tract would compromise its essential historic character, again confirmed by the intent of Congress fifty years ago. These factors are national in scope and affect any American who visits Mount Vernon as part of his visit to the National Capital Region.

On a more local level my constituents have provided me with a copy of City of Alexandria Resolution 671 requesting the purchase of the access rights by the National Park Service. The resolution also requests the purchase of those portions of the tract below the hundred-year flood level. This resolution indicates strong opposition to development along the the Parkway on the Railroad's land.

I would urge the subcommittee to recommend the acquisition of the entire 42-acre parcel owned by the Railroad between its railyards and the George Washington Memorial Parkway which would include the 23-acres which the Railroad hopes to develop in partnership with another lessee. Some of my constituents who have followed this issue closely since 1971 have done some research to indicate that the Park Service Service could use the 42-acre parcel for two potential purposes. I am enclosing some correspondence from them on this subject for your information. I must say emphatically that the railroad that the railroad must be paid compensation for the full market value of the parcel and the access rights, and whatever development partner the Railroad may find must be included in the arrangement. To suggest that anything less than a fully satisfactory level of compensation be rendered to the Railroad and any partner would be extremely detrimental to important businesses and employers in my district. Because the value of the land is inextricable from the right of access to the Parkway, the Railroad and its partner, if any, must be compensated for both.

Because of the questions surrounding the original exchange agreement and the detrimental impact which develpment adjacent to the Parkway would have to all Americans visiting Mount Vernon and to my constituents, I respectfully urge the subcommittee to recommend an appropriation for the purchase of the 42 acres owned by the RF&P Railroad in northeastern Alexandria between its railyards and the George Washington Memorial Parkway for the purposes described in the attachment I am submitting. Failing an appropriation for the the acquisition of the full 42 acres, I would suggest that the acquisition of the 23 in question would be satisfactory, beneficial and a service to our nation's history and natural beauty which Congress saw fit to honor fifty years ago through the construction of the Parkway, which even now can hardly accomodate the traffic it bears.

I thank the distinguished Chairman and Subcommittee members for their consideration of my request.

Stan Parris
Member of Congress

STATEMENT OF THE HONORABLE CLAUDINE SCHNEIDER
BEFORE THE SUBCOMMITTEE ON INTERIOR
OF THE APPROPRIATIONS COMMITTEE

Mr. Chairman, I would like to take this opportunity to express my support for an increase in the appropriation for the Land and Water Conservation fund over the Administration's request of $70 million. I feel strongly that Congress intended the Department of Interior to acquire park and wildlife areas to hold in trust for future generations. It would be a tragedy to lose the opportunitites now available to do so.

Mr. Chairman, I would especially like to bring your attention to the Trustom Pond National Wildlife Refuge located in South Kingstown, Rhode Island. I am most grateful that last year, this Subcommittee approved $519,000 for the acquisition of 359 acres. As you know, the final amount approved by Congress was $440,000 which was able to cover 60 of the most critical acres. I submit that the problems which this committee recognized and tried to address last year are even more pressing this year.

To review the sitation briefly, Trustom Pond has been targeted by a number of scientists, as well as the U. S. Fish and Wildlife Service, as an unusual waterfowl sanctuary, valuable not only as a wildlife refuge, but as a unique opportunity for environmental education and scientific research. In 1980, U.S.F.W.S. recommended expanding the 365 acre refuge by an additional 500 acres to preserve the ecological balance of the area. The Service noted that the growth rate of towns located in the southern part of the state has increased drastically and that this development has put and will continue to put great strain on the ecological integrity of the refuge. Landowners are generally resisting development on the boundaries of the refuge, but local taxes are high forcing conversion of undeveloped tracts. In essence, to not increase the area of the refuge, threatens the future of the refuge entirely.

Another factor that strengthens the case for Trustom Pond is the rare consensus of opinion about the benefits of expanding the refuge among area residents, state officials, local officials and the federal FWS. The fact that the bulk of the refuge has been donated, last year's was the only federal purchase on behalf of Trustom Pond, speaks to this point as well. The Audubon Society donated 115 acres last year as well.

National conservation groups, including Audubon and the Wildlife Federation, undertook a tremendous effort to target those wildlife refuges most in need of aid by soliciting comments and analyses from local and state park agencies as well as their member organizations. They note that an additional 400 acres is necessary to protect Trustom Pond and estimate the cost at approximately $1 million. While I would not approach the committee with so large a request, it may be a useful reference point.

I will close by reminding you of your past support for Trustom Pond and thank you for your time and consideration.

STATEMENT OF THE HONORABLE CLAUDINE SCHNEIDER BEFORE THE SUBCOMMITTEE ON INTERIOR OF THE APPROPRIATIONS COMMITTEE

Mr. Chairman, I would like to take this opportunity to express my support for an equitable appropriation on behalf of both the National Endowment for the Arts and the National Endowment for the Humanities. I feel strongly that Congress intended the Department of Interior to appropriate those funds necessary to sufficiently promote this nation's art and humanities programs.

Despite the cutbacks sustained last year, efforts to trim the federal deficit have resulted in a budget reduction for the NEA of close to $42 million while NEH stands to lose nearly $34 million. Art institutions and art enthusiasts throughout the country have expressed the fear that the arts will soon become accessible to a privileged few.

I see this period of transition as an opportune time for all those with a genuine concern for the arts to step up the search for private, state and local support. Although I ask that every consideration be given to the maintenance of adequate federal support for the arts and humanities, I recognize the need for all sectors of society to partake in enthusiastically meeting the challenge of shared fiscal responsibility.

The future of the arts is in our hands today. I ask that the federal government assume its share of the burden with a commitment from art supporters that innovative, creative alternatives will be developed to assist in the financing of these valuable programs.

Thank you very much for your time and consideration.

JUDD GREGG
2d District, New Hampshire

Committees:
SCIENCE AND TECHNOLOGY
GOVERNMENT OPERATIONS
SELECT COMMITTEE ON AGING
REPUBLICAN POLICY COMMITTEE

VICE CHAIRMAN:
TASK FORCE ON CONGRESSIONAL AND
REGULATORY REFORM

Congress of the United States
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(603) [illegible]

157 Main Street
Berlin, New Hampshire 03570
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May 14, 1982

The Honorable Sidney R. Yates
Chairman
Appropriations Subcommittee on
the Interior
B308 Rayburn HOB
Washington, D. C. 20515

Dear Mr. Chairman:

It has come to my attention that you and your Committee are presently reviewing the Land and Water Conservation Fund appropriations for Fiscal Year 1983. I am writing to express my support for your consideration of an $18 millon appropriation for the funding of the Appalachian Trail relocation project in FY 1983.

As a practical matter, this Congress has already committed the federal government to spending $90 million to protect the trail from Maine to Georgia. It is my understanding that the entire project can be completed for $68 million, or $22 million less than originally authorized. The only barrier is the failure of Congress to stand by its commitment.

I respectfully request you and your Committee to see this project to its completion. To date, $38 million has been spent. 342 miles or 40% of the 830 miles of the trail to be protected have been purchased, and 596 miles of the 830 have entered final stages of acquisition. To fully protect the entire 2,100 mile trail--including 141 miles in New Hampshire--we must not table our previous commitment.

Your consideration of this request is appreciated. I would also request that this letter be made a part of your formal record.

Sincerely,

Judd Gregg
Member of Congress

JG:ash

STATEMENT OF REPRESENTATIVE GLENN ENGLISH
BEFORE THE
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
U.S. HOUSE OF REPRESENTATIVES
MAY 20, 1982

I appreciate this opportunity to comment on the Fiscal Year 1983 budget request of the Bureau of Indian Affairs. I would like to limit my remarks to the proposed closure of off-reservation boarding schools now operated by the Bureau of Indian Affairs--in particular the proposed closure of Concho School located at Concho, Oklahoma.

I am deeply concerned about the plans to close Concho School. Officials of the BIA have indicated to me that it is their desire that the children return home or, at the least, be closer to home. I don't know of any individual who would disagree with that goal. Unfortunately, many of the children attending Concho and other BIA boarding schools do so as a result of family or home problems as well as other difficulties. The Concho School serves a small but important group of students who have substantial "special" needs--educational, social, and family-living. Many of these students simply have not succeeded in the so-called "traditional environment" of public schools.

Given this population, and the Federal responsibility to act prudently and in the best interests of the Indian people, it would be reasonable to assume that the Bureau of Indian Affairs has done substantial research on the needs of the students, the alternative education resources and home living resources available, the plans and capabilities of public education agencies and the wishes of the parents prior to formulating any plan to alter school services. Unfortunately, this does not appear to be the case. Failure to conduct such research may well result in increased Indian student dropout rates.

Repeated Congressional requests for information and Congressional hearings have shown an absence of careful research and planning. Additionally, I have serious concerns regarding the Bureau's consultation with tribal leaders over the proposed closure of Concho School, as well as other schools slated for closure. I also question the legality of the BIA's actions--in specific, compliance with Section 1130 of Public Law 95-561 (the Education Amendments of 1978), the Indian Child Welfare Act (25 U.S.C. 1901 et seq.), and the BIA's own regulations (25 C.F.R. Part 31a.)

on consultation and the provision of services. These are concerns raised not only by me but by a number of Members of Congress in a May 4, 1982, letter addressed to you, Mr. Chairman.

I am aware of your active commitment to a quality education for Indian students. I share that commitment. The question of whether adequate alternatives to off-reservation boarding schools exist, which will better serve this population, should be explored. However, whatever the case and ultimate decision, final action should proceed from careful consideration. These children must be given every chance to succeed. They should not be robbed of their future.

For these reasons, I urge you take whatever action necessary to stop the Bureau plans to close the Concho School, as well as any other facilities imminently threatened by Bureau plans. Bureau action should be delayed until in-depth research on student and family needs, and consultation with Indian tribes, parents, and affected public entities, is accomplished. This will take at least one year and should involve the entire question of the need for, and future of off-reservation boarding schools. I feel the current Bureau plans are sadly premature and ill-conceived. Until the Bureau acts in the best interests of Indian children, such closures should not be permitted.

Thank you.

FORTNEY H. (PETE) STARK
9TH DISTRICT, CALIFORNIA

COMMITTEES:
WAYS AND MEANS
DISTRICT OF COLUMBIA
SELECT NARCOTICS

CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515

May 10, 1982

Hon. Sidney R. Yates, Chairman
Subcommittee on Interior
Committee on Appropriations
B308 Rayburn HOB
Washington, D. C. 20515

Dear Sid:

Because of previous commitments, I am unable to personally attend the May 17, 1982, hearing on the important Historic Preservation Fund. However, I would like to respectfully request that my attached statement be made a part of the hearing record.

Thank you.

Sincerely,

Pete

Fortney H. Stark, Jr.
Member of Congress

FHS/sm
Enclosure

TESTIMONY
BY
FORTNEY H. STARK, JR.
MEMBER OF CONGRESS
BEFORE
THE INTERIOR APPROPRIATIONS SUBCOMMITTEE
MAY 17, 1982

HISTORIC PRESERVATION FUND

The current Adminstration urges us not to let anyone tell us that the American spirit has been vanquished. At the same time, however, the same Administration would have us follow a policy that would weaken, if not destroy, our efforts as a nation to rescue, restore, and preserve the visible manifestations of that American spirit.

Historic preservation was once an activity confined to saving and maintaining houses associated with prominent figures in American history. Today, however, historic preservation is enlisted in causes as diverse as conserving energy resources, fighting inflation, revitalizing cities, and providing new opportunities for local employment. Preservationists today focus on whole districts in the cities or the countryside, as well as ships, factories, AND bridges.

Preservationists no longer work in isolation; the historic preservation movement works closely with the urban revitalization movement and with the conservation movement.

Since 1966, the Federal Government has been an active participant in a national effort to preserve our national heritage through a cooperative program with the States and with the private sector. The Federal Government's role in historic preservation has never been very large in terms of dollars. But these dollars have been a token of a national commitment to the values of preservation, and an incentive to find means of translating that commitment into action. The Administration's proposal to eliminate the State grant-in-aid program and to limit Federal participation in historic preservation to the management of federal historic properties would overturn current Federal policy toward historic preservation, as it was expressed in the 1966 Historic Preservation Act, and reiterated in the 1980 amendments: [1]

> although the major burdens of historic preservation have been borne and major efforts initiated by private agencies and individuals, and both should continue to play vital roles, it is nevertheless necessary and appropriate for the Federal Government to accelerate its historic preservation programs and activities, to give maximum encouragement to agencies and individuals undertaking preservation by private means, and to assist State and local governments and the National Trust for Historic Preservation in the United States to expand and accelerate their historic preservation programs and activities.

It is our serious responsibility to continue to provide support to State and local governments and the National Trust for Historic Preservation for their important role in preserving the rich heritage of the American spirit.

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[1] 16 U.S. Code, 470.

COMMITTEES:
BUDGET

APPROPRIATIONS
SUBCOMMITTEES:
CHAIRMAN, TRANSPORTATION
ENERGY AND WATER DEVELOPMENT
LEGISLATIVE BRANCH

HOUSE STEEL CAUCUS
CHAIRMAN,
EXECUTIVE COMMITTEE

DEMOCRATIC STEERING AND POLICY

ADAM BENJAMIN JR.
1ST DISTRICT, INDIANA

Congress of the United States
House of Representatives
Washington, D.C. 20515

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May 14, 1982

The Honorable Sidney Yates
Chairman
Subcommittee on Interior
B308 Rayburn
Washington, D.C. 20515

Dear Mr. Chairman:

Enclosed please find copies of correspondence from local park and recreation departments in Indiana in support of the reinstatement of $100 million for the land and water conservation fund for state and local use.

I would like to request that these letters be submitted for the record and that full consideration be given to the views expressed therein.

I would like to add my strong support for the reinstatement of the $100 million for this vital program. The land and water conservation fund has been instrumental in the development of state and local park areas throughout the country and I would urge your support for this much-needed fund.

Thank you for your consideration and cooperation.

Sincerely,

Adam

Adam Benjamin Jr.
Member of Congress

AB:bs
Enclosures

14-7

LAKE COUNTY
parks and recreation department

LAKE COUNTY GOVERNMENT CENTER
2293 NORTH MAIN STREET
PHONE: 738-2020
CROWN POINT, INDIANA 46307

May 11, 1982

The Honorable Sidney Yates, Chairman
Committee on Appropriations
Sub-Committee in Interior
B-308 Ray Burn Building
Washington D.C. 20515

Dear Congressman Yates:

I am writing to urge your support for reinstating the State side of the Land and Water Conservation Fund Program for Fiscal Year 1983. As you are well aware, the money source for this program is derived from off shore oil leases and has been instrumental in the development of state and local park areas throughout the country.

In three Northwest Indiana Counties alone over $5,563,000.00 in Land and Water Conservation monies have enabled state and local units to acquire and develop desperately needed outdoor recreation areas. To date, $4,556,000.00 has gone towards developing local park units in Lake, Porter and LaFayette Counties. Two nature preserves in Lake County and improvements at Indiana Dunes State Park in Porter County were also made possible by the State of Indiana with the assistance of $1,007,000.00 of Land and Water Conservation money.

Since property tax rates were frozen in the State of Indiana in 1973, local units have relied heavily upon the Land and Water Conservation Fund Program in order to assist in raising the necessary capital for park acquisition and development. By reinstating $100,000,000.00 (20% of F.Y.80LWCF Appropriation) to the State side of the Land and Water Conservation Fund Program for Fiscal Year 1983, you will provide needed relief to state and local governmental units.

Your consideration will be greatly appreciated.

Sincerely,

ROBERT J. NISKOVICH
Superintendent

RJN:rs

2 of 1

MICHAEL BICANIC
Administrator of
Parks and Recreation

MICHAEL LOZANO
Recreation Director

[redacted]

ADAM KWOLEK
Superintendent of Parks

JOHN NOVALICH
Assistant Superintendent
of Parks

Park & Recreation Department

Civic Center—5825 Sohl Ave. (219) 853-6379 Hammond, Indiana 46320

May 11, 1982

Honorable Adam Benjamin, Jr.
410 Cannon Office Building
Washington, D. C. 20510

Dear Congressman Benjamin:

On behalf of the Hammond, Indiana Board of Park and Recreation Commissioners, I would like to express my approval of the proposed request by the National Recreation and Park Association that 100 million dollars be appropriated for the Land and Water Conservation Fund for State and Local use. Also the NRPA has requested 25 million dollars be placed in the UPARR and 30 million dollars in the Historical Preservation Funds.

The hearing will be held on Thursday, May 13th and chaired by Sidney Yates for the House Sub-Committee for Interior Appropriations, and hopefully if you could be present to convey our approval for these appropriations we would be greatly appreciative.

The City of Hammond has benefited tremendously from both the LWCF and UPARR funding over the years for land acquisition, development and renovation. You were instrumental in obtaining funds from UPARR for the renovation of the Hammond Civic Center, for which we are greatly indebted to you. Your efforts on our behalf are greatly appreciated.

Sincerely,

Michael Bicanic

Michael Bicanic
Administrator of Parks and Recreation

MB/en

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Town of Munster

Parks & Recreation Department

May 11, 1982

The Honorable Sidney R. Yates
Chairman, Committee on Appropriations
Sub Committee on Interior
B 308 Rayburn Building
Washington, D.C. 20515

My dear Mr. Yates:

The Reagan Administration, for the second year in a row, has all but dashed hopes for federal funds for local and state park development and park land purchases in the budget now pending before Congress.

The source of such federal funding for park projects is the Land and Water Conservation Fund, a little-known grant program that has had enormous success for local communities since its creation by Congress in 1965. Since its establishment, the Land and Water Conservation Fund has returned $2.5 billion to state and local governments for planning, purchasing and developing more than 28,000 parks and outdoor recreation facilities in 14,000 communities across the nation.

In Munster, Indiana, the Land and Water Conservation Fund in recent years has funded the Munster Community Park renovation project of which we have received $915,578.00 grant.

The Land and Water Conservation Fund, according to the National Recreation and Park Association (NRPA), the leading spokesman for the park and recreation movement, is one of the best examples of President Reagan's concept of the "new federalism" because it places responsibility for provision of park and recreation services squarely on local government.

Revenues for the Land and Water Conservation Fund are derived from royalty leases on mineral and oil exploration on the Outer Continental Shelf. Under federal regulations, the Land and Water Conservation Fund can provide only fifty (50%) percent of a project's total cost; the remainder must come from state or local sources.

Moreover, forty (40%) percent of the Land and Water Conservation Fund is earmarked for federal land purchases each year for national parks, national forests, wildlife areas and scenic preserves. Such national landmarks as Crater Lake, Death Valley, the Everglades, the Grand Tetons and the Upper Missouri area have been bought with monies from the Land and Water Conservation Fund.

But while royalties from oil leases are skyrocketing on the Outer Continental Shelf - expected to reach a record $18 billion next year - the Reagan Administration has eliminated the state portion of the Land and Water Conservation Fund and all but eliminated monies for federal land purchases.

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Under the proposed budget, the four (4) federal agencies which use the Land and Water Conservation Fund - the National Park Service, Forest Service, Fish and Wildlife Service and Bureau of Land Management - would receive only $65 million for acquisition of property and another $4.25 million for administrative costs. That is in comparison to $150 million appropriated last fiscal year.

But state and local park and recreation systems would be hardest hit under the Reagan proposal. The proposed fiscal 1983 budget stands in stark contrast to federal spending for local parks in recent years, when oil exploration on the Outer Continental Shelf was not nearly as profitable, according to NRPA.

The Land and Water Conservation Fund was appropriated an annual average of $582 million from fiscal years 1978-81, with sixty (60%) percent of that earmarked for state and local parks and recreation. In fiscal 1981, for example, state and local governments received $228.4 million from the Land and Water Conservation Fund, which totaled $378 million, only 6.8 percent of the revenues from the Outer Continental Shelf in 1981.

Moreover, the Reagan cuts come at a time when local governments are facing continued fiscal crises and, according to a recent NRPA study, demand for capital investments in park and recreation sites will hit more than $11 billion over the next five (5) years.

The National Recreation and Park Association is suggesting that $100 million be appropriated for the state and local portion of the Land and Water Conservation Fund, far below the documented $500 million needed by state and local systems.

NRPA believes that the Land and Water Conservation Fund is one of the best examples of national reinvestment in the future, much like a businessman invests profits in plant expansion and development.

In testifying for funding from the Land and Water Conservation Fund, the National Recreation and Park Association warned that no future planning for park preservation and development would desecrate the land and bargain away the future. The use of the Land and Water Conservation Fund as a reinvestment in America "is why today we have Central Park, Rock Creek Park, Lafayette Square, Grant Park, Golden Gate Park and thousands of similar parks across America. What would life be without them."

I apologize for the length of this letter, but we do need your support.

Thank you.

Sincerely,

Richard A. Murray
Superintendent of Parks and Recreation

RAM/sb

Best Available Copy

Lake Station Parks & Recreation Board
3625 Central Avenue
Lake Station, IN., 46405

Representative Sidney Yates
Chairman
Committee on Appropriations, Subcommittee on Interior
3308 Rayburn Building
Washington, D.C.

Dear Representative Yates,

The Lake Station Parks and Recreation Board wishes to go on record as supporting the proposed $100 million appropriation for the state's section of the Land and Water Conservation Fund.

The State's section of the Fund was placed under a one year moratorium for fiscal year 1982, and we strongly recommend a resumption of this section. As you are aware, funding for the Land and Water Conservation Fund is not tax base supported and the Fund has been one of the most effective means of combining private and public section resources to provide land acquisition and/or development.

We request your committee's support for the resumption of the state's section of the Land and Water Conservation Fund for fiscal year 1983.

Thankyou for your consideration and assistance.

Yours truly,

Joanna Shearer

Mrs. Joanna Shearer
President

Best Available Copy

ST. JOSEPH COUNTY PARKS AND RECREATION DEPARTMENT

BENDIX WOODS COUNTY PARK
PROGRAM OFFICES

R. R. #2 BOX 72-A
NEW CARLISLE, INDIANA 46552
(219) 654-3166

ST. PATRICK'S COUNTY PARK
ADMINISTRATIVE OFFICES

50651 LAUREL ROAD
SOUTH BEND, INDIANA 46637
(219) 277-4828

May 11, 1982

The Honorable Sidney Yates
Chairman
Subcommittee on Interior Appropriations
U. S. House of Representatives
Washington, D.C. 20515

Dear Sir:

As Director of the St. Joseph County Parks and Recreation Department, St. Joseph County, Indiana, I have been directly involved for the past eleven years with the Land and Water Conservation Fund through the Indiana Department of Natural Resources.

It was only through the use of this program that our department has been able to grow and become a viable and important part of our community.

It seems almost ironic that today when people, because of the economy and high cost of travel, are looking even closer to home for their recreational needs that a program of this significance should be curtailed or eliminated.

This is to request on behalf of the citizens of St. Joseph County that this program be fully funded as in the past or at a level to keep it viable and meaningful.

Your consideration of this request would be greatly appreciated.

Sincerely yours,

Billy C. Henkins

Billy C. Henkins
Director

dds

Please address reply to 50651 Laurel Road, South Bend, In 46637

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GOSHEN PARK & RECREATION DEPARTMENT

302 South 5th Street, Goshen, Indiana 46526

May 11, 1982

Representative Adam Benjamin
507 State Street
Hammond, Indiana 46320
c/o Rich Kitchell

Dear Rep. Benjamin:

The Goshen Park and Recreation Department wishes to express its strong support for the continuance of the Land and Water Program, and in particular the $100 million minimum for the states part of that program coming up for determination in the near future.

This program is important to us. In Goshen we have benefited greatly from it, in that through it, we were able to achieve two much needed parks - one is the only park on the densely populated mid to south eastern section of the city; and the other, a nature park developed into an outdoor classroom featuring over 400 different sepcies of plant life in addition to animals, insects and birds co-habitating within the boundaries of our city.

Without Land and Water Fund assistance, neither of the aforementioned parks would be reality. We'd really like to see the program continued so that we, as well as other communities, will be able to draw from it in the future - and thereby provide parks of meaningful and lasting impact for our citizenry - which they otherwise could not afford.

Thank you for your interest and leadership in championing the survival of this very important tool of benefit for our most precious resource - the human being and its progony.

Sincerely,

N. Arthur Bleau

N. Arthur Bleau
Superintendent of Parks & Recreation

Best Available Copy

CITY OF MICHIGAN CITY INDIANA
DEPARTMENT OF PARKS AND RECREATION
LAKEFRONT, MICHIGAN CITY, INDIANA 46360
TELEPHONE [illegible] AREA CODE 219

May 12, 1982

Congressman Sidney Yates, Chairman
Comm. on Appropriations
Sub-Comm. on Int.
B-308 Rayburn
Washington, D.C. 20515

RE: LWC Funding

Dear Sir,

I am writing to respectfully ask your support for the National Recreation and Park Association recommendation for $100 million toward state and local units Land Water Conservation funding in 1983.

Sincerely,

Art Yagodnik

Art Yagodnik, Superintendent
Parks and Recreation Department

AY/tn

Best Available Copy

KACHEL

PARK AND RECREATION DEPARTMENT
208 City Hall
17 Harding Avenue
Terre Haute, Indiana 47807
812-232-2727

Patrick R. Ralston, Superintendent
P. Pete Chalos, Mayor

May 11, 1982

Representative Adam Benjamin
507 State Street
Hammond, IN 46320

Dear Representative Benjamin:

The Parks Department depends substantially on the Land and Water Conservation Fund appropriations for our long range comprehensive planning efforts. We feel our park system has long term public value and is one of our citizen's greatest natural resources.

At this time we have serious concerns over the negative vote that has come during House action on the 1982 appropriation for the Fund.

We, in Terre Haute, feel it is crucial that you vote for the state/local appropriation and insure that the Senate version of the bill be retained.

Any proposed reductions from the original 1983 appropriation will reduce the Terre Haute communities fiscal viability. At present, three of our inner city parks; Fairbanks, Voorhees, and Spencer are in the revitalization process. Spencer was specifically designed to be accessible to the Disabled and Senior Citizens of Terre Haute.

A key factor that has provided us with a main thrust in our Parks recovery program has been the Land and Water Conservation Fund. We have set our expectations high in creating community benefits and we feel a plan is only as good as its ability to be implemented. Our park recovery action plan needs to stay on track and any deletions in the state funding and/or portion of the "Federal side" of the fund will hurt us.

There needs to be a minimum of 100 million dollars set aside for local government units for continued park improvements.

Best Available Copy

KACHEL

We feel a positive Senate version at this time is vital for our Comprehensive Park and Recreation Action Plan in Terre Haute to become real in the future.

Please Contact me on this issue if you have specific questions.

Thank you for your time in this matter.

Sincerely,

Patrick R. Ralston

Patrick R. Ralston, Superintendent

cc: Mayor P. Pete Chalos
Mr. Gerald J. Pagac, IPRA Legislative Committee

PRR/llh

Best Available Copy

KACHEL

Vigo County

PARK AND RECREATION DEPARTMENT

Telephone
812 232-4074

Keith Ruble
Superintendent

Vigo County Court House—Terre Haute, Indiana 47807

May 18, 1982

Mr. Adam Benjamin
507 State Street
Hammond IN 46320

Dear Mr. Benjamin:

As Superintendent of the Vigo County Park and Recreation Department for the last ten years, I am very familiar with the importance of Land and Water Conservation funds.

In the past eight years, we have had three projects funded 50% with the help of these funds, which amounted approximately to $300,000. Without the Federal funds, we would have only been able to develop one of these projects for the people of Vigo County.

At present, we have a new park area that will sit for several years without use if Federal funds cannot be received. Land and Water Conservation funds are not out of the taxpayers' pockets, but are from oil monies.

It is very important that monies be put back into these funds, not just for Indiana, but for all states. I would support a minimum of $100,000,000. be allocated by Congress for the state's share. Your help will be much appreciated by the people of Indiana.

Sincerely,

William K. Ruble

WILLIAM K. RUBLE

WKR/ea

Best Available Copy

J. WILLIAM STANTON
11TH DISTRICT, OHIO

2466 RAYBURN BUILDING
WASHINGTON, D.C. 20515
PHONE: AREA CODE 202, 225-5306

COMMITTEE ON
BANKING, FINANCE AND
URBAN AFFAIRS

COMMITTEE ON
SMALL BUSINESS

Congress of the United States
House of Representatives
Washington, D.C. 20515

DISTRICT OFFICES:
170 NORTH ST. CLAIR STREET
PAINESVILLE, OHIO 44077
PHONE: AREA CODE 216, 352-6167

MANTUA POST OFFICE
10748 NORTH MAIN STREET
MANTUA, OHIO 44255
PHONE: AREA CODE 216, 274-8444

May 5, 1982

The Honorable Sidney R. Yates
Chairman
Subcommittee on Interior
House Appropriations Committee
B-308 Rayburn House Office Building
Washington, D.C. 20515

Dear Mr. Chairman:

The purpose of this letter is to request that the Subcommittee include $205,000 in the FY83 Interior Appropriations bill for the final acquisition of "Lawnfield," the home of President James A. Garfield in Mentor, Ohio.

In December, 1980, Congressional and Presidential action was completed to authorize the acquisition of the James A. Garfield National Historic Site by the National Park Service.

The final step now is the appropriation of $205,000 to insure funding. Lawnfield is a national historic site, the home of our 20th President, the centennial of whose term in office is being observed at this time. Lawnfield was also the home of James R. Garfield, Secretary of the Interior in the Administration of Theodore Roosevelt.

The purchase amount is relatively small among Federal expenditures and, for a more personal reason, I will not be seeking re-election this November and would feel very proud, as well as rewarded, to see this acquisition finalized prior to the adjournment of the 97th Congress.

Finally, I ask that this letter be inserted in the record as testimony before your Subcommittee at your May 13, 1983 hearing.

I greatly appreciate your help in this regard.

Sincerely,

Bill

J. William Stanton

JWS:lbm
cc: Congressman Silvio Conte
Congressman Joe McDade
Congressman Ralph Regula

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STATEMENT OF
HONORABLE THOMAS J. DOWNEY
ON ARTS APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR
COMMITTEE ON APPROPRIATIONS
MAY 12, 1982

Mr. Chairman, thank you for the opportunity to present my views on the arts and their importance to our nation.

Today I would like to express my views on what I feel may be the crucial turning point for the historically important role of the arts in the United States; a turning point that, as a result of the Administration's policies, could spell a grim future for the arts.

While Federal support for the arts may be routed through many varied channels, I would like to focus my attention today on the six largest Federally sponsored programs. These include: The National Endowment for the Arts, The National Endowment for the humanities, The Smithsonian Institution, The National Gallery of Art, The Historic Preservation Fund, and The Institute of Museum Services.

In 1965, the Federal government formalized its support for the arts in legislation creating the National Endowment for the Arts and the National Endowment for the Humanities. This legislation clearly stated that in this nation "it is necessary and appropriate for the Federal government to help create and sustain not only a climate encouraging freedom of thought, imagination and inquiry, but facilitating the release of creative talent." This commitment and support has been bipartisan until this Administration. We have placed the role of art as one of the highest priority and pledged our nation to maintain a healthy environment within which the arts may thrive.

This commitment has been immensely successful. We now have 150 symphony orchestras, 109 opera companies, 70 large and 200 small theaters, over 400 dance companies and every state in the union has a full-time arts agency. Audiences have grown as a result. Through many touring arts projects, areas and audiences with no previous access to larger and more expensive such projects have now had the opportunity to experience the greatness of our nation's arts. Museums have also increased in importance. In 1980, 350 million visitors enjoyed some 4,609 museums.

A large proportion of private support, written into the original legislation for the arts endowments, has made this success possible. The endowments were, from the very beginning, seen as catalysts to enhance and guide private support. We now have special challenge and treasury grants requiring a match of 3 non-Federal dollars for every Federal dollar.

NEA funding encourages local public and private funds for the arts. The Presidential Task Force on Arts and Humanities has recognized the important catalytic function served by NEA determination panels. By providing a "stamp of approval" the NEA is a "guiding light" by which potential private supporters can distinguish arts projects of worth. With NEA approval, corporations will support even what appear to be experimental and innovative projects. This permits many smaller and less-than-mainstream art experiments to receive a chance.

With this in mind, let us now examine the proposals by the Administration to alter our commitment to the arts and what this will mean for the future health of the arts in the United States.

The Administration has stated in discussions regarding funding reductions for the NEA and NEH that:

> For too long, the Endowments have spread Federal financing into an ever-wider range of artistic and literary endeavor, promoting the notion that the Federal Government should be the financial patron of the first resort for both individuals and institutions engaged in artistic and literary pursuits. This policy has resulted in a reduction in the historic role of private individuals and corporate support in these key areas. These reductions in Federal support are a first step toward reversing this trend. (Source: America's New Beginning: A Program for Economic Recovery, pp.6-39)

Downey statement (page 2)
Arts funding

Private sources should, then, rightfully be asked to bear a greater responsibility for support of the arts. The Administration also feels that State and Local governments should take an increased role of support. Federal financing of the arts, it is argued, must give way to the funding of more important programs.

I would like to argue that this strategy is no strategy at all. It leaves no answer to the needs of the arts in this country. These arguments become nothing more than feeble excuses when held up to the light of reality. This Administration is essentially leaving the arts open to the full force of its tragic economic policies. The results might change the nature of arts where only the strongest will survive.

The private funding "answer" simply will not happen. The Vice President of Philip Morris made this point clear in testimony before a House subcommittee earlier this year:

> The overriding fact is that corporate America, with the best of intentions in the world, is simply incapable of making up for the cuts in social services, education, health, culture and the like. Corporate leaders and company spokesmen have pointed out repeatedly we simply don't have that kind of money.

Given the current economic climate existing under this Administration, it is unclear how anyone can expect business to voluntarily increase its role of support. The same answer exists for the expectation that local governments will take up the financial support role. This simply does not take into account the current fiscal shape of most local governments. Those hardest hit will be the small community groups, the ethnically oriented, and the avant-garde.

The results of these cuts could therefore change the face of the arts in this country. By forcing the arts to enter the struggle for capital more directly, the arts will in turn have to adapt more roward the tastes of the private sector. Only the most popular and recognizable projects will receive support, slowly withering away the varied sources of U.S. creativity. In this field of endeavor, where diversity and innovation are the essence of evolution and strength, the future would then be sterile and conformist. The arts would be left to the elite that could afford them.

The Administration's proposed cuts for the arts are as ill-conceived, harsh and un-American as other cuts in social programs which are made in favor of increasing the budget for the military. Federal support of the arts is only .02% of the national budget. These cuts would signal a new philosophy of government. They do not take into account a historic understanding of the role of art in preserving a healthy and civilized democratic society. They overlook the truth that military strength alone cannot sustain us or support national spiritual strength.

I cannot accept a future which leaves us as a "poor nation with immeasurable wealth"; an aggressive nation that is morally and culturally acquiescent. I ask the members of this subcommittee to resist this Administration's attempts to weaken the strength of this nation's arts.

TESTIMONY OF BARRY M. GOLDWATER, JR.
BEFORE THE SUBCOMMITTEE ON INTERIOR
MAY 13, 1982

MR. CHAIRMAN AND MEMBERS OF THE SUBCOMMITTEE, I AM PLEASED TO HAVE THE OPPORTUNITY OF ONCE AGAIN TESTIFYING BEFORE YOU IN SUPPORT OF FUNDING FOR THE SANTA MONICA MOUNTAINS NATIONAL RECREATION AREA.

EVEN BUDGET CONSIDERATIONS DO NOT REDUCE THE RIGHTFUL NEED TO PROTECT OUR NATURAL RESOURCES AND MEET THE REQUIREMENT OF PUBLIC HEALTH AND WELFARE FOR OUR URBAN POPULATION. WE CANNOT NEGLECT THE NEED TO PROVIDE PARKS, RECREATION OR OPEN SPACE FOR OUR PEOPLE.

THE OLD WAYS OF TRYING TO PROTECT OUR URBAN OPEN SPACES BY SIMPLY BUYING THEM WILL NOT WORK --- PRACTICALLY OR ECONOMICALLY. FACING BUDGET RESTRICTIONS, WE NEED A NEW, CREATIVE APPROACH TO SOLVE THE OLD PROBLEMS OF PROTECTING OUR RESOURCES AND THE ENVIRONMENT.

I HAVE MADE A COMMITMENT TO SECURE OPEN SPACE FOR THE CITIZENS OF SOUTHERN CALIFORNIA. THE SANTA MONICA MOUNTAINS ARE IN MY CONGRESSIONAL DISTRICT. I INTRODUCED ONE OF THE FIRST BILLS TO ACQUIRE LAND FOR THE PEOPLE OF THIS AREA IN 1971. THE CONGRESS AUTHORIZED AND ESTABLISHED THIS URBAN PARK IN 1978.

MR. CHAIRMAN, I AM COMMITTED TO PROTECTING OUR NATURAL RESOURCES, OUR ENVIRONMENT, AND THE HEALTH AND WELFARE OF OUR PEOPLE, AS WELL AS ECONOMIC STABILITY.

HOW DO WE ACHIEVE BOTH?

LAST YEAR WHEN I TESTIFIED BEFORE THE SUBCOMMITTEE ON PUBLIC LANDS AND NATIONAL PARKS, I PROPOSED A PLAN OF ALTERNATIVE TOOLS THAT WILL MEET BOTH OBJECTIVES. SOME OF THESE TOOLS NOW

EXIST. SOME HAVE BEEN TRIED ON A SMALLER SCALE BEFORE AND HAVE BEEN SUCCESSFUL. SOME MAY REQUIRE NEW ENABLING LEGISLATION, BUT THEY ALL REQUIRE A COMMITMENT TO INNOVATION AND TO AGGRESSIVELY PURSUE THE POSSIBLE INSTEAD OF WASTING ENERGY FIGHTING OVER THE IMPROBABLE.

THE BASIS OF THIS CONCEPT IS THE FEDERAL GOVERNMENT, ACTING AS A CATALYST, TO BRING TOGETHER STATE AND LOCAL GOVERNMENTS, AND PRIVATE PROPERTY OWNERS AND CITIZEN VOLUNTEERS TO EXPAND THE IDEA OF URBAN PARKS BEYOND THE BORDERS OF SIMPLE ACQUISITION.

SOME OF THESE ALTERNATIVE TOOLS, SUCH AS THE CONSERVATION EASEMENT, ARE BEING USED IN THE SMMNRA NOW BY THE NATIONAL PARK SERVICE.

MR. CHAIRMAN, THESE ALTERNATIVE TOOLS ARE COMPATIBLE WITH DIRECT FEDERAL ACQUISITION. WORKING TOGETHER, I'M SURE WE CAN ADD ADDITIONAL IDEAS.

THE PRESIDENT'S PROPOSAL TO "ZERO OUT" ALL FUNDING FOR 1982 IS UNREASONABLE. THERE IS A MIDDLE GROUND. THERE IS AN ALTERNATIVE. THERE ARE COMPATIBLE TOOLS, IF PROPERLY USED, THAT CAN SUBSTITUTE FOR HARD DOLLARS.

COOPERATION AND A WILLINGNESS TO TRY NEW APPROACHES THROUGH A COORDINATED EFFORT ON MANY FRONTS AND ON MANY LEVELS CAN ANSWER THE NEED FOR OPEN SPACES EVEN IN THE FACE OF BUDGET LIMITATIONS.

I'D ALSO LIKE TO TESTIFY ON BEHALF OF NEEDED FUNDING FOR THE CALIFORNIA CONDOR RECOVERY PROGRAM, AND THE FIRESCOPE PROGRAM.

I HAVE LONG BEEN CONCERNED ABOUT THE POSSIBLE EXTINCTION OF THE CALIFORNIA CONDOR. THE CALIFORNIA CONDOR IS THE LARGEST FLYING BIRD IN NORTH AMERICA, YET ONLY ABOUT THIRTY OF THESE MAGNIFICENT BIRDS ARE KNOWN TO EXIST. THEIR FEW NUMBERS HAVE RESULTED FROM THE RAVAGES OF MODERN SOCIETY, AS WELL AS THEIR OWN LIMITED BREEDING HABITS.

SINCE 1975, A PLAN OF ACTION HAS BEEN EVOLVING TO PROTECT THE CONDOR, BUT FUNDS WERE NECESSARY TO IMPLEMENT THE PROGRAM. FOR SEVERAL YEARS, MYSELF AND SEVERAL CONCERNED COLLEAGUES HAVE BEEN SUCCESSFUL IN GETTING FUNDS FOR THE CALIFORNIA CONDOR RECOVERY PROGRAM.

I BELIEVE THE CALIFORNIA CONDOR RECOVERY PROGRAM IS A WISE DECISION; WE SIMPLY NEED TO KNOW MORE ABOUT THE CONDOR IN ORDER TO SAVE IT. THE THIRTY-FIVE YEAR, ONE MILLION DOLLAR PROGRAM IS SUBJECT TO STRONG OVERSIGHT RESTRICTIONS. THE U.S. FISH AND WILDLIFE SERVICE'S PROGRAM CANNOT DEFINITELY ENSURE THE CALIFORNIA CONDOR'S SURVIVAL BECAUSE THE CONDOR MAY BE PAST THE POINT OF SAVING, BUT I FIRMLY BELIEVE THAT MAN MUST TAKE REMEDIAL ACTION ACCORDING TO THE MOST APPROPRIATE PLANS CURRENTLY AVAILABLE OR WE WILL HAVE LOST THE PRECIOUS OPPORTUNITY TO SAVE THE CALIFORNIA CONDOR.

I URGE THIS SUBCOMMITTEE TO APPROVE AN ADDITIONAL $250,000 FOR RODENTICIDE STUDIES, RADIO-TELEMETRY SYSTEM DATA COMPILATION, AIRCRAFT OPERATIONS, NEST WATCHING AND CENSUSING ACTIVITIES, FIELD EQUIPMENT, TRANSMITTERS, RECEIVERS, VEHICLES AND SOME FUNDS FOR FIELD ASSISTANTS AND A HABITAT SPECIALIST.

FOR YEARS I HAVE SUPPORTED FUNDING FOR THE FIRESCOPE PROGRAM. THIS COST EFFECTIVE PROGRAM HAS BEEN GREATLY RESPONSIBLE FOR

KEEPING POTENTIALLY CRITICAL AND COSTLY FIRES IN CHECK. THIS PROGRAM, NOW IN ITS SIXTH YEAR, IS BASED ON APPLYING COMPUTER CAPABILITY AND ADVANCED TECHNOLOGY TO THE FIRE PROBLEM. THIS PROGRAM MAXIMIZES THE COLLECTIVE FIREFIGHTING CAPABILITIES OF LOCAL, STATE AND FEDERAL FIRE SERVICES ON LARGE, MULTI-JURISDICTIONAL FIRES. THE FIRESCOPE PROGRAM IS DIRECTLY RESPONSIBLE FOR A PROJECTED ANNUAL SAVINGS OF $6 MILLION IN DIRECT SUPPRESSION COSTS, FOR A BENEFIT/COST RATIO OF MORE THAN 2:1.

TO TERMINATE THIS PROMISING PROGRAM WHEN SO MUCH EFFORT AND FUNDS HAVE BEEN INVESTED, AND BEFORE ITS FULL FIREFIGHTING POTENTIAL HAS BEEN ACHIEVED, IS FALSE ECONOMY.

I URGE YOUR SUPPORT OF THE RECENT HOUSE AGRICULTURE COMMITTEE ACTION RECOMMENDING $2 MILLION BE MADE AVAILABLE FOR CONTINUATION OF THIS WORK.

THANK YOU FOR MY OPPORTUNITY TO TESTIFY BEFORE YOU TODAY.

Testimony Presented By

Congressman Byron L. Dorgan

North Dakota

I wish to thank Chairman Yates and the members of the Interior Subcommittee for the opportunity to address you today concerning Fish and Wildlife appropriations for blackbird depradation research. The problem of blackbird depradation reaches not only my State of North Dakota but South Dakota and Minnesota as well, where sunflower production is a $300 million crop at the farm level. Approximately 90 percent of this crop is exported in the raw or processed form. The blackbird threatens the future of this new crop and does an annual estimated damage (Fish and Wilife figures) of approximately $10 million.

A North Dakota blackbird task force, appointed by the Governor of our State, has studied the blackbird problem and has made the following recommendaton, which I endorse: that annual Fish and Wildlife Service funds of $500,000 are needed for a five year period. These funds must be earmarked for blackbird depradation on sunflowers by the U.S. Fish and Wildlife Service, for use by Denver Wildlife Research Center.

There are several objectives to this proposed research, Mr. Chairman:

1) To continue monitoring of migration habits of blackbirds to determine the impact of potential population control.

2) To develop control measures or behavioral modifications at the migration staging areas or winter roosts.

3) Continue work at North Dakota State University on the varietal studies. This research, funded by the Fish and Wildlife Service, has been ongoing for three years and has yielded some positive results.

The National Sunflower Association, located in Bismarck, has informed me that this spring the Fish and Wildlife Service tagged approximately 10 million male blackbirds at a staging area in the State of Missouri. These birds will be observed this spring and summer to determine their migratory patterns. From the results of this initial research the Fish and Wilflife Service can then begin to take a look at possible population control measures.

Mr. Chairman, a portion of the $500,000 appropriation would be used to fund eight full time biologists to study the depradation problem; $40,000 per year would be granted to North Dakota State University for the continuation of sunflower varietal trial project; and the remainder of the funds would be allocated to other areas specific to blackbird depradation research.

I certainly realize that in these times of fiscal austerity a new appropriation may not be realistic at this time. If this Subcommittee finds that such an appropriation would not be possible, I would recommend that funds be shifted within the Fish and Wildlife Service appropriation and earmarked specifically for blackbird research.

Mr. Chairman, the sunflower industry is an important new source of agricultural income to the State of North Dakota, as well as to our neighbors in Minnesota and South Dakota. I would ask that you and the members of this Subcommittee take into consideration the ways in which the study of blackbird depradation can be pursued.

Thank you.

STATEMENT
BY
REPRESENTATIVE TOM RAILSBACK
BEFORE THE
APPROPRIATIONS SUBCOMMITTEE ON THE INTERIOR
ON ENERGY INFORMATION PROGRAMS
MAY 13, 1982

Mr. Chairman, I appreciate this opportunity to submit a short statement in support of retaining several Energy Information Administration (EIA) programs needed for both supply disruptions and analytical purposes.

In April and May of last year, the Northeast-Midwest Congressional Coalition held five hearings throughout the region in order to identify energy issues for the 1980's. On June 4, a national conference was held in Washington, DC which resulted in a working energy agenda for the Coalition. One of the agenda items was the continuation of Federally collected State-level energy consumption and price data, along with other important energy data functions (the commercial and industrial energy surveys, jobber and dealer data, the Energy Emergency Management Information System, and the Financial Reporting System) so that Congress and other public officials can maked informed policy decisions.

As you well know, Congress created a Federal energy data base during a crude oil shortage, when the public expressed distrust of Federal policies based on industry-provided data. EIA programs are now in place, Congressional need for the data has been established, and money may be wasted in the long run by cutting both the personnel and the funding necessary to maintain these essential programs. The Administration's recommended $54.5 million for FY 1983 is not adequate to carry out the responsibilities for independent data collection required by Congress.

Planning for an emergency is difficult when the supply situation is so good. For, price increases, conservation, fuel switching and a run-down on inventories have contributed to changes in oil demand so that consumption has dropped. However, a stronger economy or a crisis in the volatile Middle East could cause another shortage. At a time when good information should be maintained to help plan for and deal with an emergency situation, the EIA budget is being cut to an unprecedented level. A recently published Congressional Research Service (CRS) report requested by Government Operations Committee Chairman, Representative Jack Brooks, indicated that proposed reductions "will affect the detail and possibly the accuracy of any analysis produced by EIA, particularly if information about state and local areas is requested. Depending on the data bases eliminated, some analysis may not be feasible." I have addressed the issue before, but I would again like to explain why I -- and the Northeast-Midwest Congressional Coalition -- continue to support the following programs:

- The Residential Commercial, and Industrial Consumption Surveys

The Residential, Commercial and Industrial Consumption Surveys report on energy consumption by end-use and can be used to study trends of energy use, the market potential for energy conservation supplies and equipment, the price structure by fuel type, and other purposes. No other source of such information exists.

Survival of the residential and commercial surveys seems likely, although data will be collected less frequently than originally planned. However, the industrial survey will probably be discontinued. While the commercial survey looks at non-residential building energy consumption, the industrial survey views the boilers and machinery inside. Data obtained by both surveys will be invaluabe in monitoring building and equipment efficiency. The Coalition is especially concerned about lack of information collected by the industrial survey because knowledge of fuel switching capabilities of boilers and machinery could be crucial in conservation and emergency planning, as well as in monitoring the health of regional economies, in fostering conservation and in monitoring the regional impact of federal energy policies. In an EIA response to questions I submitted to the record, EIA agreed that the "information collected /by the industrial survey/ would prove useful during a petroleum shortage. However, because of incomplete returns, it was necessary to aggregate the data to the extent that alternative fuel burning capabilities may be identified only for broad industrial sectors within five regions of the United States." I understand Office of Management and Budget (OMB) disapproval of the form before all respondants replied resulted in the incomplete report.

In addition, EIA indicated that money for the industrial survey is used to fund the energy portion of the Census Bureau's Annual Survey of Manufacturers and that the "Census Bureau does not plan to provide these data on an annual basis in the absense of EIA funding."

- The Financial Reporting System (FRS)

The Financial Reporting System (FRS) should not be eliminated, since it will be helpful to Members of Congress now that decontrol is a reality. Congress required the information when constituent distrust of the oil industry became obvious. If another shortage were to occur, people would again demand the information. According to the CRS report, "Loss of this data base will make it more difficult for the government to examine profit and investment patterns of the major oil companies." The report indicated that the data can be used to monitor the "impact of federal policies designed to encourage the development of new energy resources." The FRS is the only source of industry data using consistent definitions so companies can be easily compared, and the information is complete.

I understand the main objection to the forms is cost of reporting. I would like to note a reponse to my question on burden hours in which EIA indicated that their estimate of burden hours did not change from the first to the most recent reporting year. However, I had understood that respondent computer programs were in place so that the total hours would, in fact, be less. Perhaps my understanding is not correct, but I feel the point should be made.

- Petroleum Product Price, Supply and Market Distribution Data Program

Of highest priority is the petroleum product price, supply and market distribution data program. The vetoed Standby Petroleum Emergency Authority Act includes an amendment which requires that the information collected under the program, including state-level price, supply and distribution data, should be kept intact. The conference report was supported by both the House and the Senate. And, more recently, the Senate Energy and the House Energy and Commerce Committees reported bills including the same information requirements.

Strong support exists, in part, because no other source of state-level price/supply or small-size retailer and jobber data is available. State's need the information for budgeting, conservation goals and planning for supply disruptions. Federal policy-makers must have the information to determine the impact of proposed legislation and federal budget/tax policies like an oil import fee, a decision to repeal the Fuel Use Act, or federal emergency planning. An obvious example of the need for market share and price data is the motor gas retailer concern that major refiner-marketers used predatory practices to drive many out of business. Both the Senate and the House requested data to determine whether majors did use predatory practices, the data indicated the opposite.

Many Coalition members join me in believing these programs are not only essential during an emergency or in predicting another shortage, but are necessary for evaluating the energy market and the effects of existing and proposed legislation. Both the FRS and the petroleum product price, supply and market distribution data program are required by current law. It is essential that EIA retain the staff and receive the funding required to maintain these Congressionally established energy information programs.

George E. Brown Jr.

Congressman George E. Brown, Jr.

Testimony submitted for the record before the Appropriations Subcommittee on Interior.

Hearings on May 13, 1982

Mr. Chairman, I sincerely appreciate the opportunity to express my support for the important work done by the United States Geological Survey in the area of earthquake research and related activities.

The Survey has done excellent work overall, and has been particularly effective in the dissemination of information developed under the earthquake program. Both the public and private sectors have benefitted from the work of the USGS.

As a Representative from a district in California which has the San Andreas fault running through it. and as an author of the 1977 Earthquake Hazards reduction Act, I clearly have a major interest in the subject of earthquakes. However. I would like to note that most other states are earthquake prone and can benefit from earthquake research, as California can.

I am relatively pleased at the level of funding for the USGS for completing its requirements under the Earthquake Hazards Reduction Act. However. I have a particular concern in the area of earthquake prediction responsibilities of the Survey. Earthquake prediction is part of the Survey's responsibilities under the Earthquake Hazards Reduction Act. Although the Science and Technology Committee disagreed with the Administration's proposal to cut the Survey's planned activities in this area in authorizing $3 million for earthquake prediction work (as did the House Interior Committee) I wanted to lend my special support to the provisions of the bill reported out of the Science and Technology Committee on May 17, 1982.

The $3 million authorized by the Science and Technology Committee would be applied towards development of a prototype earthquake prediction network for continuous geophysical monitoring of the fault systems threatening major California population centers.

The probability of a major earthquake occurring in Southern California within the next 30 years is about 50%. According to estimates prepared by the National Security Council, unpredicted major earthquakes in the Los Angeles or San Francisco metropolitan areas could cause as many as 10,000-20,000 fatalities and $20-$70 billion in damages. Successful medium- or short-term prediction of these earthquakes will substantially reduce casualties, minimize damage, and greatly enhance post-earthquake disaster relief efforts.

The state of California will spend about $15-$16 million on earthquake mitigation and relief activities in its Fiscal Year '81-'82. Although this is somewhat less than the $18 million spent in the state of California's FY '78-'79, the state is clearly committed to addressing the earthquake problem in a serious fashion.

The private sector is also becoming seriously involved. In fact, just last month (May '82), I attended a major conference in Los Angeles sponsored by ARCO and other Fortune 500 companies, with the involvement of state and local governments on all aspects of earthquake hazard mitigation and post-disaster relief. Of particular interest to many of the companies represented was the question of earthquake insurance, and how the significant financial burden occurring in the event of a major earthquake would be borne.

In this era of budget austerity and with the increased emphasis on state as well as private sector involvement. I think the state of California has done a commendable job. However, with all this involvement, little has been accomplished in the area of earthquake prediction. The nature of the problem is such that federal involvement is critical. Prediction networks must cover wide areas, cross jursdictional boundaries, and require a great deal of coordination. It is difficult to envision the successful establishment of a prediction network without the help of the federal government. This is true with most complex issues, but is especially true in a field where the federal government is the acknowledged leader, such as meteorology and geophysics.

Ultimately, the burden of a major earthquake will fall on the federal government. No state can come close to coping with the billions in damages caused in the aftermath of a major earthquake. However, successful prediction can reduce the damage and thus reduce loss of life and property. For these reasons I think that a $3 million investment this year with appropriate amounts in the coming years (totalling about $60 million) is not only justified, but long overdue.

I urge you to carefully consider this important program and hope you will give it your support.

Thank you Mr. Chairman, and Members of the Committee.

GILLIS W. LONG
[illegible]

COMMITTEE ON RULES
[illegible]

JOINT ECONOMIC COMMITTEE

Congress of the United States
House of Representatives
Washington, D.C. 20515

[illegible]

May 18, 1982

[illegible]

Honorable Sidney R. Yates, III
Chairman, Subcommittee on Interior
Appropriations Committee
B308 Rayburn House Office Building
House of Representatives
Washington, D.C. 20515

Dear Sidney:

Enclosed is a letter from Governor David Treen of Louisiana, requesting restored funding for the state's side in the Land and Water Conservation Fund.

As Governor Treen states, Louisiana has a fine record of providing quality recreation to large numbers of its citizens. Restoration of L&WCF funds would be an important step in continuing and improving this record.

Please give Governor Treen's request your full consideration. I'd appreciate it if you would include his letter as part of the official record of your hearings on the Interior Appropriations Bill.

Thank you very much for your assistance. With kindest personal regards, I remain

Sincerely yours,

GILLIS LONG
MEMBER OF CONGRESS

GWL/ah
Enclosure

State of Louisiana
EXECUTIVE DEPARTMENT
Baton Rouge

David C. Treen
Governor

May 12, 1982

The Honorable Gillis W. Long
House Office Building 2311
Washington, D.C. 20515

Dear Gillis:

I understand that the National Parks and Recreation Subcommittee in the House is likely to authorize one hundred million dollars of the Land and Water Conservation Fund (L&WCF) for the state's side of the program in Fiscal Year 1983. I also understand that the Energy and Natural Resources Subcommittee in the Senate is likely to authorize $150 million for the program with the state's portion being funded out of that amount. Louisiana needs your help to support these recommendations and reverse the zero funding for the state's portion of the fund for Fiscal Year 1982. For Louisiana alone, this current cut represents a $4 million loss in its annual apportionment.

Louisiana has always been able to obligate its apportionment, and if the Fiscal Year 1983 L&WCF monies are approved, the Division of Outdoor Recreation will have a backlog of over $22 million in qualified recreation projects that must await funding in Fiscal Year 1983 and future apportionments before funds can be obligated.

Louisiana is proud of its record of providing high quality recreation to large numbers of citizens in areas where it is most beneficial and most needed. Our record of 100 percent obligation of all federal funds available is an achievement in itself and indicates close communication and cooperation between the state and local political subdivisions in providing the number and types of recreation demanded by the public.

I believe that the current allocation of the L&WCF appropriation to the federal side of the program is detrimental to the whole concept of the L&WCF program and must be reversed before state and community needs become sacrificed for federal projects which are important nationally, but do not meet local recreation demands. Our record of establishing actual recreation areas which combine excellence with accessibility is the best proof that the most cost-effective and efficient method of meeting recreation needs is through state and local sponsors. The L&CWF was established by Congress in 1965 with the intent that the states should play a pivotal role in providing outdoor recreation to their citizens and assisting local governments in expanding local outdoor recreation opportunities. I feel that the original intent should be preserved.

To date, Louisiana has completed 497 projects with a dollar value increase in outdoor recreation opportunities in excess of $102 million. Successful utilization of L&WCF monies has provided direct, tangible benefits to the citizens of Louisiana. Through planning and effective grants administration, over $51 million in federal funds has been obligated to worthwhile outdoor recreation projects throughout the state. These projects clearly increase the access the public has to outdoor recreation facilities and increases the value of outdoor recreation to the public.

I believe you will agree with the above statements; thus, I am sure that you will join with me in requesting that Congress appropriate L&WCF funds for the state's portion of the program in Fiscal Year 1983. Regardless of the decision of Congress, we are grateful for your efforts on behalf of outdoor recreation.

With warm personal regard, I am

Sincerely,

Dave

David C. Treen

DCT:nmj

cc: Congressional Delegation

Statement by
HON. BENJAMIN A. GILMAN
Before the
SUBCOMMITTEE ON INTERIOR APPROPRIATIONS
HOUSE APPROPRIATIONS COMMITTEE
May 20, 1982

Mr. Chairman, Distinguished Committee Members:

It gives me great pleasure to join with many of my Colleagues in the House of Representatives in calling to the attention of this Subcommittee the need for additional funding to complete the Appalachian Trail.

The Appalachian Trail, which winds its way through some of the most scenic regions in the United States, is one of the most precious gifts which our generation can pass on to our children and our children's children. The 2,100 mile long trail, from Maine to Georgia, was one of the original National Scenic Trails designated under the National Trails System Act of 1968.

The progress made in the Appalachian Trail Acquisition Program has been quite impressive and commendable, a small percentage of the work remains to be completed. About 465 miles of trail still need to be protected, including some 99 miles within National Park Service and National Forest lands, at a total cost of $15.14 million. Surely we can see fit to make this relatively modest expenditure so that the entire 2,100 mile long trail will be finally completed.

The Distinguished Members of this Subcommittee should be made aware that the costs of operation and maintenance of the trail have not been borne by the taxpayers for the most part. Volunteers, both on an individual basis and as a part of organizations affiliated with the Appalachian Trail Conference, have been providing this service. I am quite frankly concerned that a failure to protect the remaining miles of trail will discourage those volunteers to the point that we will find ourselves berift of their services.

My 26th Congressional District of New York, which contains the Appalachian Trail from the Bear Mountain Bridge across the Hudson to the New Jersey State line, is blessed with a number of volunteers who have devoted their time and energies to the Appalachian Trail. To those individuals, and to others like them from throughout Eastern United States, we owe a debt of gratitude.

Mr. Chairman, I would like inserted into the Record statements submitted by two of my constituents, Mrs. Elizabeth D. Levers of Pearl River, New York, and Mr. Bert May, of Middletown, New York. I hope that their expert comments will be taken into serious consideration by this Subcommittee before a final vote is taken:

Data for the support of the Appalachian Trail Project - 1982 budget

The Appalachian Trail is a 2050-mile footpath extending across 14 states from Katahdin (the "greatest mountain") in Maine to Springer Mt. in Georgia. It was Benton MacKaye, a forester and Regional Planner who proposed it in 1921, in an article entitled "The Appalachian Trail, a Project in Regional Planning" in the Journal of the American Institute of Architects. His purpose was to save green space for recreation and make it accessible to the metropolitan regions on the Eastern Seaboard. He envisioned a continuous corridor along the ridge of the Appalachian chain with a footpath as the "spine" to link wilderness areas.

Meantime, in 1920, Major W.,A. Welch, the General Manager of the new Bear Mountain-Harriman Park, had asked a few hikers he knew to design and build a trail system in the Park, working as volunteers. Their first achievement was the Ramapo-Dunderberg Trail, 25 miles from Tuxedo to Jones Point. Thus, 2 years later, in response to Benton MacKaye's article, this group was inspired and prepared to build the original section of the Appalachian Trail, from Bear Mountain to Arden on Route 17, opened in 1923. A square copper AT marker designed by Major Welch became the standard, although there were variations until the adoption of the present 2x6 white paint blaze.

As the Trail slowly grew to the north and south, the volunteers in the hiking clubs along the route who were involved in the building of it in 1925 formed the Appalachian Trail Conference as a non-profit federation to work together for completion of the Trail. The final link was opened in 1937, in Maine. The Conference has continued to set standards, issue maps and guides, and since 1977 has worked with the National Park Service, as specified in the National Trails System Act, to preserve and protect the Trail and corridor.

The Appalachian Trail has been built and is maintained entirely by volunteers, on both public and private land. It is the longest continuously marked hiking trail in the world. Hikers come from every State and from overseas to walk it; about 150 - 200 hike the whole 2050 miles each summer, a feat which takes from 4 to 6 months. In New York State up to 10,000 people are estimated to be on the Trail each year; up to 3-4 million on the entire route, and yet in many sections the hiker meets no one.

By the 1960's it appeared that the continuity of the AT might be lost. Due to the pressure of increased population and development, 40% of the Trail which was on private land was being moved to less desirable locations and even to roads. Of the 86 miles of Trail in New York 27 miles were on roads, 34 on private land, and 25 in state parks. Along the way were 12 areas of special interest: open rock ridges and escarpments with 180° - 360° views; rolling farm country vulnerable to residential development, and 2 lakes in undeveloped woodland.

The Amendment to the National Trails System Act passed in 1978 authorized 90 million dollars for the National Park Service to acquire the necessary land for the Appalachian Trail in 3 years at 30 million a year. The footpath was to have a protective corridor averaging 1000' in width. Congress has not appropriated the full amount specified in any year, so that acquisition has been slow. In New York we knew the route we wanted, of which only the State park land was already protected. In 1978 I went with the National Park Service representative assigned to New York to visit 150 landowners across the State whose property might be affected, to explain the project, ask what their concerns might be, and seek their cooperation. Our reception on the whole was good. We volunteers then flagged the relocations to

(over)

to be acquired, the National Park Service had the whole route, including the proposed relocations, surveyed and appraised, and acquisition began. We also visited the Town Boards of the villages along the route to explain the project.

To date 6000 acres have been acquired in New York, including 7 of the above-mentioned special resources. There remain only 23 gaps or missing links scattered across the State which are needed to connect the lands already acquired. You will remember receiving our invitation to the opening of an 8.8 mile new section in Dutchess County last October. This eliminated 7 miles of road walking.

We have volunteers out on trail work trips once or twice a month all year round, involving many in addition to club members: church youth groups, Scouts, school classes, even land owners; a total of over 300 to call upon. This is in addition to those volunteers who do the maintenance of the existing Trail, cutting back vegetation each year and repainting blazes. Meantime, the volunteers have moved on to the next stage, managing the AT as specified in the legislation. We have been meeting in each County with Town Supervisors, Police and Fire Chiefs, recreational consultants, Search and Rescue volunteers, as well as landowners adjacent to the Trail corridor. Topics discussed include possible camp sites, water quality, parking, sanitation, hunting, search and rescue, etc. This has been a frank discussion of concerns, and has led to good feeling.

We need only about 600 more acres in New York. We earnestly hope that sufficient funds may be found to complete the protection of the Appalachian Trail.

Elizabeth D. Levers

Elizabeth D. Levers
Volunteer Monitor of the Appalachian Trail
in New York State

May 7, 1982

STATEMENT SUBMITTED BY BERT MAY:

Hon. Benjamin A. Gilman
Member of Congress

Dear Ben:

As you know, I am a member of the Ramapo Chapter of the Adirondack Mountain Club (A.D.K). The A.D.K. is a Member of the New York-New Jersey trail Conference, an organization of most hiking clubs in New York and New Jersey. I also belong to the trail conference as an individual member (membership fee is $5 for Senior Citizens) . and as such I am a maintainer. A maintainer goes over the trail or section of it if it is a long trail that is assigned to him at least four times a year for trail clearing and picking up litter such as soda cans, beer cans and bottles often broken which can be very dangerous for a hiker who slips or falls into these shards. How I long for a Federal Bottle Law. We (I always have help from other A.D.K. members living in Orange County) remove fallen trees, quite often sawing them if they fell over the trail, clip branches that hinder hikers normal progress, rebuilt eroded trail sections on steep slopes and repaint or add new trailmarkers according to the rules and regulations of the organization responsible for the trail. This provides uniform marking for the length of the trail, a great help to the hiker in unknown territory. We also have to provide our own brush and paint and of course tools, axe saw and clippers. Another job the maintainer has to do is the destruction and obliteration of illegal fireplaces which some hikers built in highly inflammable woods or grounds.

The section of the Appalachian trail assigned to me is from Mombasha High Point (1280 feet high) to Little Dam Pond (560 feet high) in Orange County, New York, a distance of about 4 miles. This section of the A.T. has no level walking, but is wild and picturesque. There are no parkikng areas nearby and that is one of the reasons litter is not excessive on this section.

To walk on a section like this is selfrewarding and you don't mind the ups and downs even if you have to use your hands also. But unfortunately a great part of the A.T. still has to follow highways specially in New Jersey and Pennsylvania. (A section in Putnam County was relocated from Hi-ways into woods only recently.) This is very dangerous for the hiker, also monotonous and it also detracts from the beauty of the trail.

The money given by Congress towards purchase of properties eliminates roadwalking with its dangers enhances the beauty of the trail is well spent. But it is far from enough. It should be more so that the entire trail is on State or U.S. ground eventually. While only a small number of hikers have walked the entire 2000 miles of the trail at one time, thousands and thousands have walked it one section at a time during their vacations. Also untold more walked and still walk the sections near their areas on any given weekend. I myself have walked a great part of the A.T. eliminating those sections that require roadwalking.

I am 79 years of age and I go hiking most every weekend, except in winter when I go cross-country skiing and I still can hold my own with people much younger than I am. I therefore claim that hiking is one of the best exercises for any human being and it should be encouraged by providing same trails for all Americans. I now repeat, any money spent on enhancing and a safer A.T., a trail known worldwide and envied by many a nation, is well spent and future generations will be thankful for the forethought this Congress showed if thru its generosity built a safe Appalachian Trail.

Respectfully submitted,
Mr. Bert May
Beyers Road, Box 255
R.D. #3
Middletown, New York 10940

Mr. GILMAN. Finally, Mr. Chairman, if it has not yet been done so my any of my colleagues, I would like to insert into the Record the following statement by Mr. Orin Lehman, Commissioner of the State of New York Department of Parks, Recreation, and Historic Preservation:

(HERE INSERT FOLLOWING STATEMENT BY ORIN LEHMAN)

Mr. Chairman, I thank the Members of this Committee for their time and for their throughtful consideration.

Respectfully submitted,

HON. BENJAMIN A. GILMAN
Member of Congress

STATE OF NEW YORK
PARKS, RECREATION AND HISTORIC PRESERVATION
ALBANY

ORIN LEHMAN
COMMISSIONER

April 29, 1982

Dear Ben ~~Congressman Gilman~~:

As you know the Land and Water Conservation Fund Program, of such vital importance to preserving and improving our state and local park systems, is once again in jeopardy. Although the Senate-House Appropriations Subcommittee conferees clearly indicated that their recommendation for no state funding for 1982 was intended to be a one-year moratorium, the Administration has again recommended no funding for state and local Land and Water Conservation Fund grants for 1983.

It is generally conceded that parks are good for people. They contribute to family health. They serve as a safety valve for social tensions. They help reduce the rate of crime. They provide an important stimulus for the economy. Most significantly, it is well established that the vast majority of American citizens use the state and local parks closest to their home. Therefore, we feel it is appropriate that responsibility for such parks be shared by all levels of government!

The problems that have faced state and local park administrators during the prolonged period of inflation and taxpayer discontent have been tremendous. The New York State Parks alone contain more than 4,000 major structures. Their average age is over 40 years. Facilities in our local parks average even older than that. Most have been intensively used ever since they were built; and they are wearing out faster than we, at the state and local level on our own, can repair them.

Fortunately, previous administrations in Washington, Republican as well as Democratic, have viewed the rapid deterioration of aging parks as a problem to be confronted by the federal as well as by the state and local governments.

The matching federal grants and other aids helped the states and local governments in their efforts. They helped to slow, if not to halt completely, the rate of decline.

Since 1965, over $170 million in matching grant funds has been distributed from the Land and Water Conservation Fund to over 900 state and local park projects in New York State. It would not be an overstatement to say that virtually every New Yorker has benefited from the program. All of the funding available to New York State has been fully obligated, and approximately 70 percent has actually been expended for completed park acquisition, development and rehabilitation projects.

So that you may be fully aware of how much this program has meant to New York State, I have enclosed a complete listing of projects funded from Land and Water Conservation Fund grants since the program was initiated in 1965.

I find it unconscionable that the Administration now proposes that the Land and Water Conservation funds to the states and their localities be absolutely eliminated.

We must remember that the money in this Fund did not come from tax revenues. Rather, it comes from revenues derived from the sale of leases to private companies for offshore oil rights, reportedly accumulating in the Fund at the rate of over $900 million annually. The theory behind the inclusion of these revenues in the Land and Water Conservation Fund was clearly to offset the adverse environmental impacts inherent in offshore drilling by expanding and improving public park systems at the national, state and local levels.

We are indeed encouraged by early indications that Congress will not support the Administration's efforts to totally eliminate this program of such importance to maintaining and improving our state and local park systems. Sufficient Land and Water Conservation Funds to restore a reduced but meaningful grant program to the states and municipalities have been recommended by the House Interior Appropriations Subcommittee chaired by Mr. Yates.

The Senate supported funding for this program last year, and we are hopeful that they will again act favorably on appropriations to restore a reduced but still workable grant program for Federal Fiscal Year 1983.

We anticipate that the Land and Water Conservation Fund Program will be discussed in detail at Appropriations Committee hearings scheduled for the second week in May. We understand that testimony by colleagues is scheduled for May 13th in the House Appropriations hearings. Your support at these hearings, or in later consideration of this important program on the House floor, will be deeply appreciated.

Sincerely,

Orrin

Enclosures

Hon. Benjamin A. Gilman
U.S. House of Representatives
2160 Rayburn House Office Building
Washington, DC 20515

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FRIDAY, MAY 21, 1982.

PUBLIC WITNESSES

NATIONAL ENDOWMENT FOR THE ARTS

OPENING REMARKS

Mr. YATES. Show the hearing as coming to order, Mr. Reporter.

This is the hearing on the appropriation for fiscal year 1983 for the National Endowment for the Arts and we have the pleasure today of hearing a number of public witnesses who I take it will speak in favor of an expanded appropriation for the arts.

We have brief biographical sketches on many of today's witnesses which may go into the record at this point.

CITY STUDY - ST. Louis:

RICHARD A. SIMONCELLI, Executive Director, Missouri Arts Council

Mr. Simoncelli has been with the Missouri Arts Council since 1976. As the executive director for the past year he has been responsible for developing the arts council's annual state budget, working with council members and with arts organizations and artists throughout the state on arts funding and policy issues. Mr. Simoncellie manages the federal arts grants for the state and administers the Missouri Arts Council's annual budget of $3 million. He earlier served the state council as music program administrator and as assistant director in charge of developing program guidelines and budgets and evaluating federal and state grants. A music major from Allegheny College, Mr. Simoncelli has done graduate work in musicology and taught arts management at Washington University in St. Louis. He is an executive committee member of the Mid-America Arts Alliance and a member of the board of the Travel Federation of Missouri.

NICHOLAAS VAN HEVELINGEN, Executive Director, St. Louis Commission for the Arts and Humanities

Mr. van Hevelingen has been executive director since 1979 of the St. Louis Commission for the Arts and Humanities. Prior to that he was employed for three years as Director of Marketing and Development for the Oregon Arts Commission and for another three years as Managing Director of the Aspen Festival Theatre in Aspen, Colorado. He is currently serving as President of the Municipal Arts Federation.

GERHARDT ZIMMERMANN, Conductor

Mr. Zimmermann is Associate Conductor of the Saint Louis Symphony Orchestra, as well as Music Director and Conductor of the Saint Louis Symphony Youth Orchestra. In 1975 he was selected as one of ten Exxon/Arts Endowment Conductors. He has guest conducted a number of major symphony orchestras around the country, including the National Symphony in Washington, D.C. Mr. Zimmermann also serves as Music Director and Conductor of the Canton Symphony Orchestra, a position he will hold full-time beginning next year.

BEN H. WELLS, Arts Patron and Former CEO and Board Chairman of Seven-Up Company

Mr. Wells is the former Chief Executive Officer and Board Chairman of The Seven-Up Company. Since his retirement in 1979, he has devoted all of his time to the advancement of numerous cultural and civic organizations, and particularly to fund-raising for the arts. He is Chairman of the Saint Louis Symphony Society, President of Laumeier International Sculpture Park, and President of the Committee for the Arts in Missouri. He serves on the boards of numerous cultural organizations: St. Louis Art Museum; Opera Theatre of St. Louis; CASA- The St. Louis Conservatory and Schools for the Arts; First Street Forum; and Music Associates of Aspen. Mr. Wells resides in St. Louis, Missouri.

BEEJ SMITH, Director, Lumiere Sculpture Park

Beej Smith has been the executive director of the sculpture park for three years. The park is located in St. Louis County on 98 acres of land. There are 53 outdoor sculptures, most produced since the early 1960's. In addition, there is a gallery which exhibits sculpture and shows work related to sculpture. Exhibitions change every six to eight weeks. The sculpture park has an annual operating budget of close to $200,000, half of which comes from the county for general operating costs. The park is open 12 months a year and operates education programs with the assistance of volunteers.

PERFORMER PANEL #1:

RISË STEVENS, Opera Singer

As an opera singer, Ms. Stevens' artistic home for twenty-five years has been the Metropolitan Opera in New York City. She has, in addition, performed on numerous occasions in Europe. The roles at the Met for which she is most renowned were the title parts in ROSENKAVALIER, ORFEO, SAMSON ET DALILA, and particularly, CARMEN. Her complete recording of CARMEN for RCA Victor remains the biggest seller in that company's operatic catalogue. In Hollywood, Ms. Stevens starred in the films THE CHOCOLATE SOLDIER, CARNEGIE HALL, and the Academy Award winning GOING MY WAY with Bing Crosby. She has served on the Music Panel of the National Endowment for the Arts and is now Chairman of the Music Panel of the New York State Council on the Arts. At present, she is also a member of the Metropolitan Opera Association as an advisor and consultant for young singers.

COLLEEN DEWHURST, Actress

Ms. Dewhurst's career as an actress has ranged from Broadway to motion pictures and to television, winning her many awards and honors. On Broadway, she has starred in the revival of WHO'S AFRAID OF VIRGINIA WOOLF? for which she received a Tony Award nomination, and in Eugene O'Neill's A MOON FOR THE MISBEGOTTEN, for which she received the Tony Award as Best Actress. Also on Broadway, she has played starring roles in O'Neill's MOURNING BECOMES ELECTRA, Edward Albee's ALL OVER, for which she received the Drama Desk Award, ALL THE WAY HOME, for which she received her first Tony Award, and Athol Fugard's HELLO AND GOODBYE, for which she also won a Drama Desk award. Ms. Dewhurst's recent motion picture performances include TRIBUTE with Jack Lemmon, WHEN A STRANGER CALLS, and ANNIE HALL. She has also starred in a number of television specials including A MOON FOR THE MISBEGOTTEN, Arthur Miller's THE PRICE and THE CRUCIBLE, AND BABY MAKES SIX, and THE WOMEN'S ROOM.

ITZHAK PERLMAN, Violinist

Born in Israel, Mr. Perlman made his first appearance as a young violinist on the Ed Sullivan Show in 1958. Since then he has appeared with every major orchestra in the world, on most of the great concert stages alone or in close collaboration with other artists, on numerous national television shows, and in recording studios both in the United States and abroad. Mr. Perlman has won a number of Grammy Awards. In 1981, he was selected as Musician of the Year by Musical America's Annual Directory of Music and Musicians. Mr. Perlman resides in New York City.

LUCIEN WULSIN, Chairman, Colorado Council on the Arts and Humanities

Mr. Wulsin, a lawyer, businessman and recently retired chairman of the board of Baldwin-United Corporation, chairs the Colorado Council on the Arts and Humanities and serves as president of the board of trustees of the University of Denver. Last year, Mr. Wulsin was named by President Reagan to the Presidential Task Force on the Arts and Humanities. He joined the then Baldwin Piano and Organ Company in 1939 and throughout his career has served numerous cultural organizations.In Cincinnati he chaired the Contemporary Arts Center and the Symphony Orchestra and was associated with the Cincinatti Music Hall Association and the University of Cincinatti College Conservatory of Music. Mr. Wulsin is a trustee of the Carnegie Hall Corporation and the Denver Children's Hospital. He has served in the same capacity for the Denver Symphony Orchestra and the Music Associates of Aspen. He is currently a vice-chairman of the National Assembly of State Arts Agencies. Mr. Wulsin has also served on the music panel of the National Endowment for the Arts. A graduate of Harvard, he holds a law degree from the University of Virginia.

PARTNERS IN FUNDING:

FRANK SAUNDERS, Staff Vice-President, Philip Morris, Inc.

Frank Saunders is currently Staff Vice-President for Corporate Relations and Communications at Philip Morris, Inc. In that capacity he is responsible for corporate financial relations, editorial services, news media relations, institutional corporate programs, and other internal and external communications. He has an extensive and varied background of many years in the communications field, and has served on the Presidential Advisory Committee on Small and Minority Business Ownership. At present he is on the Advisory Board of the Arts and Business Council of New York, the Corporate Advisory Group of the Business Committee for the Arts,Inc., the Board of Managers of the New York Institute for the Education of the Blind, and also serves as Assistant to the Chairman and Assistant Treasurer of the Whitney M. Young, Jr. Memorial Foundation, Inc.

STANLEY J. ARONOFF, Ohio State Senator

Senator Aronoff, a member of the Ohio Senate since 1967, is Assistant President Pro Tem and chairman of the Senate Finance Committee. He previously served three terms in the Ohio House of Representatives and was instrumental in passage of the legislation that established the Ohio Arts Council in 1965. He is currently a member of the Ohio Arts Council. An attorney by profession, Senator Aronoff is a member of the National Conference of State Legislature's committee on the arts. In the Ohio Senate he serves on the committees on health and human resources; elections, financial institutions and insurance; and rules. He is also a member of the State Controlling Board and the Legislative Service Commission.

HENRY GELDZAHLER, Commissioner, New York City Department of Cultural Affairs

Henry Geldzahler was appointed Commissioner of the New York City Department of Cultural Affairs on January 10, 1978 by Mayor Koch. Prior to that he was employed for 17 years by the Metropolitan Museum of Art. In 1966 he was appointed U.S. Commissioner to the Venice Biennale. That same year he joined the staff of the National Endowment for the Arts as director of the Visual Arts Program, a position he held through 1969. Since 1963, Mr. Geldzahler has been an advisor to the Woodward Foundation in Washington, D.C., an organization which loans contemporary art to U.S. embassies. Prior to joining the Koch administration, he was a board member of American Cinematheque and an advisor on modern art to the Prime Minister of Australia.

LOUIS B. HARRIS, Chairman, American Council on the Arts

Louis Harris, one of the nation's leading analysts of public opinion, is Chairman and Chief Executive Officer of Louis Harris & Associates, a public opinion research firm. Mr. Harris is currently serving as Chairman of the American Council for the Arts, a major private sector organization which works to promote and strengthen the arts in this country through services to arts organizations and institutions and advocacy on public issues as they affect the arts. His firm has conducted many surveys on the attitudes of Americans toward the arts.

ARTHUR I. (BUDDY) JACOBS, Attorney

Mr. Jacobs, an attorney, is a former chairman of the Fine Arts Council of Florida and member of the Board of Directors of the Southern Arts Federation. A native of Fernandina Beach, Florida, he has been a leading figure in historic preservation in that town. He is the Founder and Executive Director of the Fernandina Amelia Island Restoration Foundation. He has recently been appointed to the Board of Trustees of the Ringling Museum in Sarasota, Florida. An alumnus of the University of Florida, he serves as Chairman of the Trustees of its Law Center and is a member of the Board of Directors of the University of Florida Foundation. Mr. Jacobs is a member of the National Council on the Arts.

PERFORMER PANEL #2:

CHUCK DAVIS, Dancer and Choreographer

Mr. Davis, dancer and choreographer and Artistic Director of the Chuck Davis Dance Company in New York City uses a combination of African, Classic, Jazz and Modern Dance techniques in his work, specializing in Ethnic and Modern Dance. His Company operates two academies of dance in New York City and makes special efforts to teach students in high schools, senior citizens and the mentally and physically handicapped. Mr. Davis has served on panels at the National Endowment for the Arts.

MAXWELL (MAX) ROACH, Jazz Musician

Mr. Roach is one of the key figures in the development of modern jazz in this country, beginning in the 1940's as the drummer in the legendary Charlie Parker Quintet. In the 1950's he began leading his own small groups and has since performed at every major jazz festival on an international scale and has toured Europe consistently, at times performing under the auspices of the U.S. State Department. Mr. Roach gives lectures and conducts work-shops at numerous universities and is Professor of Music at the University of Massachusetts in Amherst. A resident of Connecticut, Mr. Roach is one of the most recorded artists in American music.

ANNETTE PARK, Chairman, Idaho Commission on the Arts

Ms. Park has served on the Idaho Commission on the Arts for the past four years and has been involved in volunteer service to the arts, including work with the Junior League. She currently manages a health program for elderly people called "Growing Younger". A native of Idaho, Ms. Park studied at the University of Idaho.

JAN FONTEIN, Director, Museum of Fine Arts, Boston

Jan Fontein is the director of one of the largest and finest art museums in this country. The Museum of Fine Arts' collection ranges from the art of ancient Egypt to 20th century American painting and sculpture. It is one of a handful of museums that operate schools of fine arts. The museum has opened a new wing, designed by I. M. Pei, and is in the process of renovating their main building to provide temperature and humidity controls for the exhibition and storage areas. Both projects received support from the National Endowment for the Arts.

NATIONAL COUNCIL ON THE ARTS:

THEODORE BIKEL, Actor, Folk Singer and Guitarist

Actor, folk singer and guitarist, Mr. Bikel is President of Actors' Equity Association and Vice Chairman of the Board of Directors of the American Council for the Arts. Following his early theatre experience in Israel and with London's Royal Academy of Dramatic Arts, Mr. Bikel began his professional acting career in Sir Lawrence Olivier's production of A STREETCAR NAMED DESIRE. He created the role of Baron von Trapp in THE SOUND OF MUSIC and portrayed on stage Tevye in FIDDLER ON THE ROOF. Mr. Bikel's dramatic work on television has brought him repeated nominations for Emmy awards. Also an internationally known folk singer, Mr. Bikel was the founder of the Newport Folk Festival, maintains an active concert schedule throughout the U.S. and abroad, and has recorded numerous albums of folk music. Mr. Bikel is a member of the National Council on the Arts.

ROBERT WISE, Film Director and Producer

As an Academy Award winning director and producer, Mr. Wise has made some 38 motion pictures. He began his career in cinema as a film editor, one key assignment being Orson Welles' famous CITIZEN KANE. His work with Welles led to his directing several scenes for Welles' second film, THE MAGNIFICENT AMBERSONS, which helped launch him as a director. Wise has received the Irving G. Thalberg Award, as well as four Academy Awards for Best Picture and Best Director of WEST SIDE STORY, which won ten Academy Awards in all, and of THE SOUND OF MUSIC, one of the top box-office pictures in the history of filmmaking. Other films of Mr. Wise include: THE DAY THE EARTH STOOD STILL; EXECUTIVE SUITE; SOMEBODY UP THERE LIKES ME; RUN SILENT, RUN DEEP; THE SAND PEBBLES; THE ANDROMEDA STRAIN; and STAR TREK - THE MOTION PICTURE. Mr. Wise is a former member of the National Council on the Arts.

CITY STUDY—ST. LOUIS

WITNESSES

HON. ROBERT A. YOUNG, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF MISSOURI

RICHARD SIMONCELLI, EXECUTIVE DIRECTOR, MISSOURI STATE ARTS COUNCIL

NICHOLAS VAN HEVELINGEN, EXECUTIVE DIRECTOR, ST. LOUIS ARTS AND HUMANITIES COMMISSION

GERHARDT ZIMMERMANN, ASSOCIATE MUSIC DIRECTOR, ST. LOUIS SYMPHONY; MUSIC DIRECTOR, CANTON SYMPHONY ORCHESTRA

BEN H. WELLS, FORMER CEO AND CHAIRMAN OF THE BOARD, SEVEN-UP CO.

BEEJ NIERENGARTEN-SMITH, DIRECTOR, SCULPTURE PARK

Mr. YATES. The first group of witnesses come from the City of St. Louis and we are delighted to have our old friend and colleague Congressman Young present to introduce them.

Congressman, we are pleased to have you and we would be very pleased to hear what you have to say.

Mr. YOUNG. Mr. Chairman, and members of the committee I am pleased to appear before you today to introduce our witnesses from the St. Louis area and State of Missouri. This quintet is not only important because of who they are, but because of the mission that they represent in appearing here today.

They come to Washington to illustrate to the committee the achievements of the arts program in St. Louis. Their dedication and the work that they do there every day is very, very helpful I am sure to the promulgation of arts not only in our State but in the country as well.

However, as you well know, with the budget constraints that everybody has, this program is very, very important to the metropolitan St. Louis area. So, we are going to do everything we can. I think we have made provisions. I happened to be one of the sponsors of the Missouri Commission on the Arts when I was a member of the Missouri Senate, and I think that the local participation by the State has been very helpful in moving ahead.

So, at this time, Mr. Chairman, with your permission I would like to be allowed to introduce to you Mr. Gerhardt Zimmermann, the widely recognized Associate Conductor of the St. Louis Symphony and a representative of the Artistic Community Association. Mr. Ben Wells, the well-known retired Chairman of the Seven-Up Company, he now is Chairman of the Board of the St. Louis Symphony. Mr. Richard Simoncelli, Executive Director of the Missouri Arts Council. Nicholaas Van Hevelingen, Executive Director of the St. Louis Commission for the Arts and Humanities. Mr. Beej Smith, the Director of the St. Louis Sculpture Park and representative of the American Association of Musicians.

Mr. Chairman, I appreciate the opportunity of introducing the panel to you this morning.

Mr. YATES. We are very glad to receive them and we will let the panel decide the order in which they want to proceed. Your statements may go into the record so that we have the full prepared text of what you want to say. You may either give us the highlights, expand on it, or do as you wish.

Mr. HEVELINGEN. Mr. Chairman, members of the committee, I am Nicholaas Van Hevelingen, Executive Director of the St. Louis Arts and Humanities, and I am on the Board of Directors of the National Association of Community Arts Agencies and I am Chairman of the Board of the Municipal Arts Federation which represents Municipal Arts agencies in the country's 40 largest cities.

I very much appreciate the opportunity to be before you today with other members of the delegation from St. Louis. I would like to begin by saying that legislative bodies everywhere, perhaps more so in St. Louis, are facing seemingly insoluable problems which also confront this legislative body which is primarily the allocation of very limited resources to a variety of vitally important community obligations.

Mr. YATES. Excuse me, we better move the microphones over because it may be needed for the television sound.

Mr. HEVELINGEN. Obviously the issue is no longer one of eliminating nonessential services in many, many cities as you know there are no nonessential services remaining. I would like to suggest that the arts are very much a part of the essential services in this country. I would like to say a few words about what the obligation of Government to the arts may be. I would say they are not primarily an obligation, they are primarily an opportunity.

In the face of the kind of frustrating failures we are confronted with today and throughout the country, that the arts represent the opportunity for achievement and the opportunity for us to feel about ourselves through the arts what we cannot feel about ourselves through perhaps other avenues.

Make no mistake about it, the arts in this country today are the best, the boldest and most innovative of the creative spirit and they are occurring in this country. I would suggest that greatness is not a permanent condition. That unless it is recognized and sustained it diminishes.

I think that sustentation, if you will, is what I would like to talk about now. In St. Louis the city is facing again an extremely difficult fiscal situation. Almost without exception city agencies are operating on budgets reduced from the previous years. Last fiscal year the budget of the Arts and Humanities Commission was cut 10 percent. Last week we received a 20 percent increase in our appropriation for the next fiscal year.

This unlikely event occurred for two reasons which, I think, are pertinent to the deliberations of this committee. First of all because city officials recognized that the arts in St. Louis, too, are one of the greatest strengths of the city. The cultural organizations in the city are among the finest in the country. They contribute enormously to the national image and reputation of St. Louis and immeasurably to the lives of its citizens. They are no less important to the local economy in 1980 just eight of these institutions generated about $63 million in direct and secondary spending in the City of St. Louis, and attracted two Naval military visitors to the city. But more importantly, I think, the primary reason for our budget increase was a grant of $52,000 which was awarded by the National Endowment for the Arts to the City of St. Louis which had to be and was matched by new city revenues dedicated to the arts.

Thus the Endowment's contribution of $52,000 generated grant funds of $104,000 which when matched 3 to 1 by the community will create a total of $416,000 in St. Louis to support and sustain a vital but vulnerable service.

Mr. YATES. Do you believe that that would not have been raised without the grant from the Endowment?

Mr. HEVELINGEN. I know for certainty that the $52,000 generated, appropriated by the city, would not have been raised and I think that without that $104,000 we would not have generated a total of $416,000 to support the arts.

As I mentioned, I think the arts are a vital but vulnerable industry and I would like to, if I may, read a short story which I think illustrates that quite well. The arts are not now, and never will be, a competitive industry and I think this story illustrates this.

A corporate chairman was given tickets for a performance of Schubert's Unfinished Symphony. He couldn't attend, and passed them on to his industrial engineer. The next morning, the Chairman asked him how he had enjoyed the performance. The engineer handed him a memo. It read:

A. For considerable periods of time, the four oboe players had nothing to do. Their number should be reduced and their work spread out over the whole orchestra, thus eliminating peaks of activity.

B. All twelve violins were playing identical notes. This seems an unnecessary duplication, and the staff of this section should be drastically cut. If a large volume of sound is really required, it could be obtained through electronic amplification.

C. Much effort was absorbed in the playing of demi-semiquavers. This seems an excessive refinement, and it is recommended that all notes be rounded up to the nearest semiquaver. If this were done, it would be possible to use lower-paid personnel.

D. No useful purpose is served by repeating with horns the exact same passage that has already been handled by the strings. If all such redundancies were eliminated, the concert could be reduced from 2 hours to 20 minutes. In fact, if Schubert had attended to these matters in the first place, he probably would have been able to finish the symphony after all.

Because of the economic realities illustrated in this story, cultural institutions throughout the country are closing their doors. Their product cannot be produced more efficiently, nor can it contain fewer moving parts. The advantages of the assembly line are denied to the arts but this circumstance should not deny the arts to the people.

In St. Louis, as in cities everywhere, arts organizations are even closer to the brink of insolvency than is usual, despite increased audiences and higher ticket prices. The crisis is already upon us, and the prospects are not encouraging.

We have been asked to look to the private sector for increased support. In 1981, cultural causes nationally reported total contributions from individuals, corporations, and foundations of $3.34 billion, an increase of 13 percent over the previous year. But even that did not suffice, and the new tax laws are estimated to reduce charitable contributions by 33 percent over the next 4 years. If the private sector is to respond to the challenge, and deny these predictions, more, not fewer, initiatives and encouragements will be required.

I am sure that many who testify here today will refer to the "leveraging" nature of Endowment grants, as I have. The President's proposed Endowment budget reduction of $43 million is not just a loss to the arts of $43 million. Rather, when matching funds are considered, it represents a loss of $172 million by the most conservative estimate. And, there is no single more important aid to fund raising than "National Endowment for the Arts" on the income side of the budget sheet. Forty-three million dollars could create a lot of imprimaturs.

Passage of the budget reduction would also be a clear message to municipal legislators throughout the country that support for the arts is no longer an appropriate function of Government. Last year, local arts agencies, like the one I represent, appropriated over $300 million in support of the arts across the country. This represents a dramatic gain over the past decade. I would like to point out that this gain has occurred not in spite of, but in response to, increased Federal appropriations over the same period. A 30 percent decrease in the Endowment's budget will surely begin to erode the gains of the last decade.

Finally, and most misleadingly, the President's proposed budget reduction implies that the arts in this country have been subsidized by the Federal Government. In 1981, that "subsidy" amounted to less than 10 percent of the unearned income of the Nation's arts organizations; not a subsidy, but a critical factor in generating the remaining 90 percent.

The current budget of the Endowment is one one-hundredth of one percent of the President's proposed 1982-83 Federal budget. That such an infinitesimal appropriation, producing such disproportionate results, should be reduced to a figure that requires not two, but three decimal places to be stated as a percentage of budget, seems to me a devastating statement on our spending priorities.

Let me conclude by referring again to the city I represent here today. In August of this year, St. Louis voters will be asked to consider a ballot measure increasing the existing sales tax. Passage of that measure would generate $16 million a year for the arts in the metropolitan area.

This remarkable initiative is being proposed by the Mayor of St. Louis and the St. Louis County Executive. It is a clear demonstration of their belief that cultural institutions—virtually all of them private gifts to the public in earlier and fiscally happier days—now deserve and require the support of the public to which they are dedicated. This tax is not intended to supplant other public or private funds. Rather, it represents a fiscal and philosophical partnership with all available funding sources.

But such initiatives in support of the arts, be they public or private, will not come to pass if the message from this legislative body—the elected and collective conscience of our country—is, "these things are expendable."

I would respectfully urge this committee to oppose legislation which would further reduce the budget of the National Endowment for the Arts.

Thank you.

Mr. **Yates**. Very good statement. Thank you very much.

[The statement of Nicholaas Van Hevelingen follows:]

TESTIMONY BEFORE
HOUSE APPROPRIATIONS
SUB-COMMITTEE ON THE INTERIOR

May 21, 1982

Mr. Chairman, members of the Committee, my name is Nicholaas Van Hevelingen. I am the Executive Director of the St. Louis Commission for the Arts and Humanities, an agency of the City of St. Louis, Missouri. I am also a member of the Board of Directors of the National Assembly of Community Arts Agencies, and Chairman of the Board of the Municipal Arts Federation, which represents municipal arts agencies in the country's forty largest cities.

I appreciate the opportunity to appear before the Committee today, as a member of the delegation from St. Louis. Other members will testify as representatives of the visual and performing arts, the business community, and Missouri's State Arts Agency. I would like to begin with a more general look at municipal cultural environments, and the role of the National Endowment for the Arts in their maintenance.

Municipal legislative bodies are confronted by the same pressing, and seemingly insoluable, problems that confront this legislative body: the allocation of severely limited resources to meet a variety of vitally important obligations. The issue is no longer one of eliminating non-essential services. In many cities, as you know, none remain. It is now a question of deciding which essential services must be abandoned. Such is the nature of the economy today.

What place, then, do the arts occupy in the field of essential services, and what is the obligation of government to the arts?

First, we must realize that the arts are not just an obligation, but an opportunity. In difficult times, we must concentrate upon our strengths as well as our weaknesses, for the human spirit demands great accomplishments in the face of frustrating failures. And make no mistake about it, the arts in this country are a strength. Today, the best, the boldest, the most innovative, and the most important expressions of the creative spirit in the world are occurring here in the United States. But greatness is not a permanent condition. It must be recognized and sustained or it diminishes.

In St. Louis, the city is facing, again, an extremely difficult fiscal situation. Almost without exception, city agencies are operating on reduced budgets. In fiscal year 1981-82, the budget of the Arts & Humanities Commission was cut by 10%. But last week, the Commission received a 20% budget increase for the next fiscal year. This unlikely event occurred for two reasons, which I believe are most pertinent to this Committee's deliberations.

First, because city officials recognized that the arts are one of St. Louis's greatest strengths. The cultural organizations of St. Louis are among the finest in the country. They contribute greatly to the national image and reputation of the city, and immeasurably to the lives of its citizens. The arts are no less important to the local economy. In 1980, just eight of these organizations alone generated $63 million in direct and secondary spending, and attracted 2½ million visitors to the city.

But, without a doubt, the primary reason for our budget increase was a grant of $52,000 awarded by the Endowment to the city. The grant had to be - and was - matched by an equivalent allocation of new municipal revenues to the arts. Thus, the Endowment's contribution of $52,000 created new granting funds of $104,000 which will be matched 3-1 by the community; a total of $416,000 to support and sustain a vital, but vulnerable, service.

Why vulnerable? Because the arts are not now, and never will be, a competitive industry, a point well illustrated, I think by this story.

A Corporate Chairman was given tickets for a performance of Schubert's Unfinished Symphony. He couldn't attend, and passed them on to his industrial engineer. The next morning, the Chairman asked him how he had enjoyed the performance. The Engineer handed him a memo. It read:

A. For considerable periods of time, the four oboe players had nothing to do. Their number should be reduced and their work spread out over the whole orchestra, thus eliminating peaks of activity.

B. All twelve violins were playing identical notes. This seems an unnecessary duplication, and the staff of this section should be drastically cut. If a large volume of sound is really required, it could be obtained through electronic amplification.

C. Much effort was absorbed in the playing of demi-semiquavers. This seems an excessive refinement, and it is recommended that all notes be rounded up to the nearest semiquaver. If this were done, it would be possible to use lower-paid personnel.

D. No useful purpose is served by repeating with horns the exact same passage that has already been handled by the strings. If all such redundancies were eliminated, the concert could be reduced from two hours to twenty minutes. In fact, if Schubert had attended to these matters in the first place, he probably would have been able to finish the symphony after all.

Because of the economic realities illustrated in this story, cultural institutions throughout the country are closing their doors. Their product cannot be produced more efficiently, nor can it contain fewer moving parts. The advantages of the assembly line are denied to the arts, but this circumstance should not deny the arts to the people.

In St. Louis, as in cities everywhere, arts organizations are even closer to the brink of insolvency than is usual, despite increased audiences and higher ticket prices. The crisis is already upon us, and the prospects are not encouraging.

We have been asked to look to the private sector for increased support. In 1981, cultural causes nationally reported total contributions from individuals, corporations, and foundations of $3.34 billion, an increase of 13% over the previous year. But even that did not suffice, and the new tax laws are estimated to reduce charitable contributions by 33% over the next four years. If the private sector is to respond to the challenge, and deny these predictions, more, not fewer, initiatives and encouragements will be required.

I am sure that many who testify here today will allude to the "leveraging" nature of Endowment grants, as I have. The President's proposed Endowment budget reduction of $43 million is not just a loss to the arts of $43 million. Rather, when matching funds are considered, it represents a loss of $172 million by the most conservative estimate. And, there is no single more important aide to fundraising than "National Endowment for the Arts" on the income side of the budget sheet. $43 million could create a lot of imprimaturs.

Passage of the budget reduction would also be a clear message to municipal legislators throughout the country that support for the arts is no longer an appropriate function of government. Last year, local arts agencies, like the one I represent, appropriated over $300 million in support of the arts across the country. This represents a dramatic gain over the past decade. I would like to point out that this gain has occurred not in spite of, but in response to, increased Federal appropriations over the same period. A 30% decrease in the Endowment's budget will surely begin to erode the gains of that decade.

Finally, and most misleadingly, the President's proposed budget reduction implies that the arts in this country have been subsidized by the Federal government. In 1981, that "subsidy" amounted to less than 10% of the unearned income of the nation's arts organizations; not a subsidy, but a critical factor in generating the remaining.90%.

The current budget of the Endowment is one one-hundredth of 1% of the President's proposed 1982-83 Federal budget. That such an infinitesimal appropriation, producing such disproportionate results, should be reduced to a figure that requires not two, but three decimal places to be stated as a percentage of budget, seems to me a devastating statement on our spending priorities.

Let me conclude by referring again to the city I represent here today. In August of this year, St. Louis voters will be asked to consider a ballot measure increasing the existing sales tax. Passage of that measure would generate $16 million a year for the arts in the metropolitan area.

This remarkable initiative is being proposed by the Mayor of St. Louis and the St. Louis County Executive. It is a clear demonstration of their belief that cultural institutions - virtually all of them private gifts to the public in earlier and fiscally happier days - now deserve and require the support of the public to which they are dedicated. This tax is not intended to supplant other public or private funds. Rather, it represents a fiscal and philosophical partnership with all available funding sources.

But such initiatives in support of the arts, be they public or private, will not come to pass if the message from this legislative body - the elected and collective conscience of our country - is, "these things are expendable."

I would respectfully urge this Committee to oppose legislation which would further reduce the budget of the National Endowment for the Arts.

Mr. Simoncelli. I am Rick Simoncelli, Executive Director of the Missouri Arts Council, an agency of Missouri State government and a member of the Executive Committee of the Mid-American Arts Alliance——

Mr. Yates. Would you yield for just a moment. I meant to ask the previous witness a question, he talks about the initiative of providing funds for the arts by imposing a tax.

Will the amount of money provided by the tax make up the difference in Federal grants so no additional Federal money will be needed?

Mr. Hevelingen. No, as I said the cultural institutions in the city are on the verge of closing their doors, literally, several of them. Sixteen million dollars, which is I think a very impressive amount of money for a metropolitan area to allocate to the arts, will not by any means address all those needs. Those institutions are already, I think, doing cost projections in determining just when they will have to increase the tax again and it won't be increased again not in the foreseeable future, I can assure you.

If the institutions in the city respond wisely to the availability of those funds, that is just those tax base funds locally as leverage for greater support, then I believe it will represent not just $16 million but far more. By the same rationale, it is not going to address all the needs by any means and the initiatives provided by Federal funds could be used in precisely the same way. As I say, if the word from Washington is that these things are not necessarily an appropriate function of Government, believe me the word gets out. I have had municipal legislators in the St. Louis area say, "They are not funding you any more in Washington, are they?" That is the impression.

Mr. Yates. Thank you.

Sorry, Mr. Simoncelli.

Mr. Simoncelli. That is quite all right.

Mr. Yates. My fault, not his.

Mr. Simoncelli. I was saying I was a member of the Executive Committee, and that is a consortium of the States of Arkansas, Kansas, Nebraska, Oklahoma and Texas. My address today will deal with the arts and cultural climate in the State of Missouri. However, as a member of a National Assembly of State Arts Agencies they will reflect the wide range of arts activities that occur in the entire United States.

Simply stated, the Missouri Arts Council is committed to celebrate, to advocate, and to perpetuate the arts in and of Missouri. These are our goals. Let me tell you more specifically who we are and what we do.

Created in 1965, the Missouri Arts Council is one of the first legislatively created and supported State arts agencies in the country. We consist of 15 board members, 13 staff, 60 citizen advisory panelists and, in fiscal year 1982, over 500 funded organizations. The council has had a long history of strong State financial support. From its first year of $170,000 to a recently approved $2.6 million for next year, fiscal year 1983. This dramatic growth over the years is proof of the value that Missourians place on the arts in their lives. While now ranked 15th in per capita funding for the arts in the country, Missouri is ranked fifth in its expenditures for funds for the arts as compared to its total State expenditures.

As in many areas of the country, the economy of Missouri has been hard hit by inflation and unemployment. This has resulted in major cutbacks to all areas of Missouri State government, including the Missouri Arts Council's appropriation, both this year and last. This year, we were required to return $375,000 of our appropriation, which was about 14 percent of our appropriation.

In order to honor this cutback we were required to reduce all contracts of $2,000 and more by 14 percent. This affected over 100 organizations. Needless to say, numerous programs were reduced, such as Chamelon Puppel residencies in Springfield and the catalogue for a Women's Art Show at Culver-Stockton College in Canton, or cancelled, such as lecture/demonstrations of the St. Louis based Cosaan African Dance Company.

As my colleague has just mentioned, the shaky national economy is playing havoc with most of our Nation's arts institutions. Ours in Missouri are not immune. Operating from day-to-day seems to be the lot of many arts institutions and the situation is becoming more and more severe. While a few Missouri institutions are presently questioning their very existence, most others are challenged daily by increased costs and elusive revenues.

Federal support for the Missouri Art Council include Endowment grants from the Office for Partnership/State programs and the Artist-In-Education program. This year, fiscal year 1982, we have been awarded $446,000. But for next year, fiscal year 1983, due to a reduction in the Endowment's budget, we have been awarded $393,000, a reduction of $53,000. This amount would have been reduced further if the Endowment staff had not provided their skillful assistance in the restructuring of our Artist-In-Education program.

The Missouri Arts Council has traditionally used its Federal grant for a variety of purposes. Funds are allocated through program assistance to our ongoing cultural institutions which serve as anchors for the arts in our state.

Federal funds support innovative programs like in southwest Missouri, the Springfield Regional Opera's production of operas in a massive cave that seats 700 people; they support emerging endeavors like the new and electrifying Kansas City Ballet; and they support the national known annual Works on Paper Competition in Columbia, Missouri.

Over the past 5 years, Endowment funds have been used to match State funds, and have indeed helped to leverage additional funds from the Missouri legislature for this purpose, for our community arts program, known as CAP. CAP makes funds available to our local arts agencies outside of the metropolitan areas of Kansas City and St. Louis. Thus, the towns of Van Buren, population 850; and Warrensburgh, population 13,783 and Kirksville, population 17,191 and scores of other towns like them are able to make arts programs available to citizens in their communities.

In addition, the council uses its Federal dollars to tour 22 of its major arts organizations to cities and towns throughout the 69,000 square miles that make up Missouri. These touring groups include two major orchestras, two opera companies, numerous smaller music ensembles, four children's theatre companies, a modern dance company, two museums and a puppet ensemble. Showing Missouri resources in Missouri has prompted a great sense of sharing and support among our citizens.

Endowment funds throughout Missouri have provided the framework for extremely complex, yet successful, fund raising campaigns. In a few moments, Mr. Ben Wells will note the great impact which the NEA challenge grants have had in Missouri: Nine different institutions receive over $3 million and generated over $17 million as match. The Endowment has awarded hundreds of program grants over the years to other Missouri arts organizations, as well as provided fellowships to Missouri's individual artists. The fellowship programs are especially important for Missourians since State law prohibits this kind of direct assistance to individual artists.

The thread of support for the arts from Federal, State and local governments, as well as that of the public and private partnership, constitute the fabric of the fiscal survival of the arts in America. And those threads must continue to be woven and grow strong together—not by one of the partners pulling out and expecting the others to fill the gap—but by each one, working together, holding up its end so that the whole may continue to serve the public.

The citizens of Missouri thank you, Mr. Chairman, and your fellow Congressmen for your support of the arts both past and present. We revell in the good, the inspiration, the excitement that the arts have brought each of us, made possible by financial support through the National Endowment for the Arts.

We encourage you to continue to increase the Federal financial support for the arts that has occurred over the past 15 years. Picasso stated it succinctly: "Art is that which one could live without but without which there is no reason to live."

Thank you, Mr. Chairman.

[The statement of Richard Simoncelli follows:]

TESTIMONY OF RICK SIMONCELLI
EXECUTIVE DIRECTOR, MISSOURI ARTS COUNCIL

BEFORE THE HOUSE INTERIOR APPROPRIATIONS SUBCOMMITTEE
MAY 21, 1982

Mr. Chairman (Rep. Sidney Yates), members of the Committee, ladies and gentlemen:

My name is Rick Simoncelli. I am the Executive Director of the Missouri Arts Council, an agency of Missouri state government, and a member of the Executive Committee of the Board of the Mid-America Arts Alliance, a consortium of the state arts agencies of 6 midwestern states. My remarks will address the arts and cultural climate of the Show Me State of Missouri. However, as a member of the National Assembly of State Arts Agencies, I do believe that they will reflect the wide range of arts activities occurring throughout the entire United States.

Simply stated, the Missouri Arts Council is committed to celebrate, to advocate and to perpetuate the arts in and of Missouri. These are our goals. Let me tell you more specifically who we are and what we do.

Created in 1965, the Missouri Arts Council is one of the first legislatively-created and -supported state arts agencies in the country. We consist of 15 board members, 13 staff, 60 citizen advisory panelists and, in FY82, over 500 funded organizations. The Council has had a long history of strong state financial support: from its first year of $170,000 to a recently approved $2.6 m for next year, FY83. This dramatic growth over the years is proof of the value that Missourians place on the arts in their lives. While now ranked 15th in per capita funding for the arts in the country, Missouri is ranked 5th (.12%) in its expenditures for funds for the arts as compared to its total State expenditures.

As in many areas of the country, the economy of Missouri has been hard hit by inflation and unemployment. This has resulted in major cutbacks to all areas of Missouri state government, including the Missouri Arts Council's appropriation: both this year and last. This year, we were required to return $375,000 of our appropriation. This totalled almost 14% of our initial appropriation. In order to honor this cutback, we were required to reduce all contracts of $2,000 and more by 14%. This affected over 100 organizations. Needless to say, numerous programs were reduced (Chamelon Puppet residencies in Springfield and the catalogue for a Women's Art Show at Culver-Stockton College in Canton) or cancelled (lecture/demonstrations of the St. Louis based Cosaan African Dance Company).

As my colleague has just mentioned, the shaky national economy is playing havoc with most of our nation's arts institutions. Ours in Missouri are not immune. Operating from day-to-day seems to be the lot of many arts institutions and the situation is becoming more and more severe. While a few Missouri institutions are presently questioning their very existence, most others are challenged daily by increased costs and elusive revenues.

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In addition, the Council uses its federal dollars to tour 22 of its major arts organizations to cities and towns throughout the 69,000 square miles that make up Missouri. These touring groups include two major orchestras, two opera companies, numerous smaller music ensembles, four children's theatre companies, a modern dance company, two museums and a puppet ensemble. Showing Missouri resources in Missouri has prompted a great sense of sharing and support among our citizens.

Endowment funds throughout Missouri have provided the framework for extremely complex, yet successful, fundraising campaigns. In a few moments, Mr. Ben Wells will note the great impact which the NEA Challenge Grants have had in Missouri: 9 different institutions received over $3 million and generated over $17 million as match. The Endowment has awarded hundreds of program grants over the years to other Missouri arts organizations, as well as provided fellowships to Missouri's individual artists. The Fellowship Programs are especially important for Missourians since state law prohibits this kind of direct assistance to individual artists.

The thread of support for the arts from federal, state and local governments, as well as that of the public and private partnership, constitute the fabric of the fiscal survival of the arts in America. And those threads must continue to be woven and grow strong together --- not by one of the partners pulling out and expecting the others to fill the gap --- but by each one, working together, holding up its end so that the whole may continue to serve the public.

The citizens of Missouri thank you, Mr. Chairman, and your fellow Congressmen for your support of the arts both past and present. We revel in the good, the inspiration, the excitement that the arts have brought each of us, made possible by financial support through the National Endowment for the Arts. We encourage you to continue to increase the federal financial support for the arts that has occurred over the past 15 years. THE REASON: Picasso stated it succinctly: art is that which one could live without but without which there is no reason to live.

Thank you.

Mr. YATES. Thank you for a very good statement.

Ms. Smith, you have an interesting first name, Beej.

Ms. SMITH. It is short for Barbara Jean, it is a nickname.

Mr. YATES. Okay, Beej, go ahead.

Ms. SMITH. All right. I am Beej Nierengarten-Smith and I am the Director of Laumeier International Sculpture Park in St. Louis, Missouri and represent museums in St. Louis. I have been professionally involved in the arts as an administrator, educator and artist for 14 years; 11 in the St. Louis community, and 3 as director of Laumeier.

Laumeier is a contemporary sculpture park owned by St. Louis County and programmed by a nonprofit arts organization. We serve the geographic region of St. Louis City and County through an outdoor sculpture collection, gallery exhibitions, symphonies, concerts, ballet, festivals and special artist events. We have a complete program of outdoor sculpture, the Shakespeare Festival, concerts, ballet, public arts festivals and so on.

The point I wish to make is that this is a shared program and I am here to testify to the vital impact of shared programs in cooperation with the National Endowment of the Arts on municipalities' programs and professionals and consequently upon municipalities' abilities to deliver quality services to a wide variety of audiences. That is to say, the St. Louis municipalities deliver quality services. The task of St. Louis museums is to provide strong and quality art experiences, to educate, research, preserve heritage, collect and display works of art, to interpret works of art, encourage cultural development, examine new technologies and certainly to explore and activate methods of financing these goals. The National Endowment for the Arts plays a key role in assisting museums in obtaining their goals.

Valued not only for its financial support, the endowment adheres to standards of excellence. That gives selected programs unquestionable prestige. Through NEA's museum program museums have seriously attended to the artistic present as well as cultural heritage indigenous in the museum field.

The validity of the relationship between cultural institutions and the Federal Government has to do with creating democratic museums possessing an invitation for all to participate. In this light, museums do not sell entry privilege. Admission is free or nominal at best.

Museums traditionally shouldered the responsibility of guaranteeing free delivery of services. NEA allows museums to expand, not to shift responsibility.

NEA granting in St. Louis City and County assists museums in mobilizing their resources to provide matching monies by generating at a State and community level private, corporate and foundation support. St. Louis institutions have been assertive in acquiring their match as is being documented today by the St. Louis delegation.

A review of the St. Louis Art Museum's exhibition program shows strong corporate support for NEA grants. The American Express Company for example, contributed $160,000 to the Roy Lichtenstein exhibition—the NEA grant was $20,000. St. Louis Art Museum matched its $350,000 challenge grant yielding $105,000.

St. Louis is currently matching its challenge grant 3 to 1, that is from a $350,000 challenge grant——

Mr. **Yates**. May I interrupt and go back to your American Express statement. Would American Express have made the grant without the Endowments initiative?

Ms. **Smith**. I asked Jack about that, the curator of the exhibit, I called him exactly to ask him that. He said the grant came first and the idea and then the match. The same is true in an intimate example of our own project, "The Way", an enormous piece of sculpture of Alexander Liberman, that started with the award of a $10,000 grant. That project finished being evaluated at $215,000. In addition, the grant provided for two pieces of sculpture so my board acquired another 40,000 pieces of sculpture to finish the grant.

Mr. **Yates**. The reason that I am looking up and thinking a little bit is the test you are giving indicates the measure to which you are helping thwart whatever impulses toward recession there are in the community. Because you are activating and building capital and funding.

Ms. **Smith**. That is exactly right. We are not only doing this project, bringing the funding to St. Louis, we are not only creating this tremendous example for individuals in the St. Louis community and drawing from outside the community, but we are also bringing these people who are spending money in the city and contributing to tourism as well. The domino effect is far reaching in the arts as I am sure has been pointed out before.

Mr. **Yates**. Sure. Thank you.

Ms. **Smith**. The extraordinary examples that you have heard that I can tell of the incentive on the part of the museums to develop those funds, to double, quadruple and so on.

I think this is a national phenomena and does make quality art possible. I would like to point out that the NEA grant match and the incentive are due to a number of things. One of those vital things is that the NEA grant match is always made with a decision of great power that the art selected is always very meaningful. Then you have a nontangible side and we talked about that. The Laumeier Sculpture Project is now turning up in history books, just as in Barabra Rose's book, on Alexander Liberman. The Seven-Up Corporation, which by and large underwrote our sculpture project, made a national film for Public Service Television. So, they continue to use the work of art in their national advertising, a nice cooperative point. The idea is of course that we have momentum. Now, it is a partnership and should not be stopped. A small organization—and mine is small by comparison—can match 6 to 1, and that is evidence of the amount of energy that goes in from the part of boards to see that the money is used wisely.

There is a problem though and that has to do with resources in general that have normally and under regular circumstances I understand as of last night has been resolved and that is the nonprofit mailing rates which we depend on heavily for our solicitation, have been increased and apparently will now be stabilized.

Volunteer services which normally provide our free tours to senior citizens and the constituency which in our case maintain our gallery, volunteer services are becoming problematic because there is a need for double income. Gas costs, baby sitting, transportation, are reducing the number of volunteers available. Interns who do free research are becoming limited. They are no longer available to us. Our States humanities and arts agencies have, as you have heard here today, had a reduction in funds.

Taxes are becoming a problem. Artists cannot give works of art to the institution which in our case, as a contemporary institution, would be very beneficial. They can only take the tax deduction for the amount of materials contributed.

Also, the economic recovery tax of 1981 is going to serve as a disincentive. By the way, a lot of this information was made available to me as the director of a small museum through an NEA grant to the Legal Institute which offered a seminar here in Washington for directors.

Corporations, when we talk with corporations, they also note that there is a decrease in their profits and therefore a decrease of available money. The sense of what had normally and previously been a shared responsibility for the arts has been badly shaken. I know that you have heard testimony about IMS, Institute of Museum Services, but I think it must be mentioned that large institutions face deferred maintenance problems, escalating costs of goods and services, operational staffing, and the exhibition production and publication and conservation just to name a few. St. Louis is attempting to assist its institutions with the sales tax. I am highly optimistic about it but one of the key managers of that legislation said that that legislation would be in better shape if they had not mentioned cultural institutions. That was problematic and that that might cause it difficulty.

Cultural institutions are the major reason that individuals do visit St. Louis. In addition, a 1979 study showed that 66.3 percent of individuals who visited our institutions were from out of State and 7 percent were from out of the country. Again, when you talk about multiplying the effect of the Federal dollar you are not just doing it locally, you are reaching out and people from across the Nation are also beneficiaries. Communities know the importance of marketing their cultural institutions—ours does. However, the notion of paying for those art services which educate, excite, stimulate and motivate is a concept shared by a few. To remove Federal funding—this is a vital point—says in effect it is okay not to support the arts. We must continue to broaden the base for public acceptance and support of the arts. We do that by recognizing and continuing the landmark accomplishments in the arts at a Federal level.

The Endowment programs reflect the American concepts and thoughts about the arts and these thoughts and concepts have become a tangible reality through our museums. There is no evidence that museums have not earned their support from the Federal Government. My friend Francis Henry Taylor, I said my friend because I think he greatly influenced me, wrote in "The Taste of Angels", "works of art have been preserved and handed on from one generation to the next because the ideas that lie behind them are, and always have been, considered vital to the abundant life. They are the very things which distinguish the adolescence of one nation from the intellectual maturity of another."

You know support for NEA has contributed to the past and present status of arts in this country. The National Endowment for the Arts has been inherently productive and deserves the right to continue. Federal support is a link in the chain of financing for the arts. Strengthen it and the whole system will respond.

[The statement of Beej Nierengarten-Smith follows:]

TESTIMONY BY DR. BEEJ NIERENGARTEN-SMITH, DIRECTOR
LAUMEIER INTERNATIONAL SCULPTURE PARK, ST. LOUIS, MISSOURI
BEFORE THE HOUSE SUB-COMMITTEE ON BUDGET FOR HOUSE
APPROPRIATIONS COMMITTEE ON THE INTERIOR

Room B-308, Rayburn House Office Building
Friday, May 21, 1982, 10:00 a.m.

My name is Dr. Beej Nierengarten-Smith and I am the director of Laumeier International Sculpture Park in St. Louis, Missouri and represent museums in St. Louis. I have been professionally involved in the arts as an administrator, educator and artist for 14 years; 11 in the St. Louis community, and three as director of Laumeier.

Laumeier is a contemporary sculpture park owned by St. Louis County and programmed by a non-profit arts organization. We serve the geographic region of St. Louis City and County through an outdoor sculpture collection, gallery exhibitions, symphonies, concerts, ballet, festivals and special artist events. Our County Executive refers to Laumeier as "one of the nation's foremost sculpture parks, providing a cultural oasis for county citizens and earning St. Louis County the reputation of being a leader in this field of fine art." Operations for Laumeier are completely funded by St. Louis County government. The arts and performing arts programs at Laumeier are entirely dependent upon external financing.

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Best Available Copy

Laumeier and St. Louis museums in general raise considerable funds for their programs. I wish to testify to the vital impact made by the National Endowment for the Arts upon museum programs and professionals and consequently, the museum's ability to deliver quality services to a wide variety of audiences.

St. Louis museums are philosophically strong in their commitment to contemporary museum issues knowing the essential purpose of the museum is to provide first quality art experiences. Our museums educate, contribute to research, preserve heritage, collect, display and interpret works of art, plus encourage cultural development, explore current technologies and aggressively, on a continuing basis, examine new methods of financing their goals.

The National Endowment for the Arts plays a key role -- assisting museums in obtaining their goals. Valued not only for its financial support, the endowment adheres to standards of excellence. That gives selected programs unquestionable prestige. Through NEA's Museum Program museums have seriously attended to the artistic present as well as cultural heritage indigenous in the museum field. Museums need diverse sources of support for these activities. Museums must have NEA as a viable source of funding. Two services from NEA's museum category have already been cut -- the Museum Purchase Plan and Services to the Field.

The validity of the relationship between cultural institutions and the federal government has to do with creating democratic museums possessing an invitation for all to participate. In this light museums do not sell entry privilege. Admission is free or nominal at best.

Museums traditionally shouldered the responsibility of guaranteeing free delivery of services. NEA allows museums to expand, not to shift responsibility.

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A review of the St. Louis Art Museum's exhibition program shows strong corporate support for NEA grants. The American Express Company for example, contributed $160,000 to the Roy Lichtenstein exhibition -- the NEA grant was $20,000. St. Louis Art museum matched its $350,000 Challenge Grant yielding $105,000.

In the case of Laumeier International Sculpture Park, a small non-profit arts organization, a $10,000 NEA grant was dramatically multiplied into a $175,000 and a $40,000 work of art for a total acquisition of $215,000. The multiplication of federal grant money is not new to this committee. The extraordinary incentive on the part of museums to double, triple and quadruple these funds is a national phenomena and makes art possible through a shared responsibility. These incredible grant matches are due to three things: the prestige of seed money from NEA, the quality of the projects proposed by museums and the judgment exercised by NEA in their selection.

On the non-tangible side, NEA grants have a domino effect in many ways. The $175,000 Laumeier sculpture project just described -- "The Way" by Alexander Liberman -- is a symbol of contemporary art in St. Louis and appears in Barbara Rose's book Alexander Liberman. It was financed in part by a corporate contribution from Seven-Up Company which continues to use the sculpture in its national press. The point is, of course, that such momentum occurring through a cooperative effort in St. Louis has been repeated throughout the country. Even a small contemporary arts museum such as Laumeier matches its grants on an average of four to one. The tragedy of loosing the support from the NEA is to reduce the local impetus by depriving worthy projects of their opportunity to live.

In a sense, all resources that assist museums are becoming problematic. As a director of a small arts organization dealing with the avant garde and on the cutting edge of artistic development, I can speak to the question of local resources.

Our membership solicitations are done by mail. We have a volunteer staff who provide vital research and educational programs. The Missouri Arts Council, Arts and Humanities Commission of St. Louis, along with the Arts and Education Council of Greater St. Louis and the Missouri Committee for the Humanities grant monies to Laumeier. Using assertive development techniques, we solicit private and public foundations and corporations. Laumeier and St. Louis museums in general have an impressive balance of personal, city, county, state, federal and corporate support.

Now it would appear that a misguided scheme is seeking to eliminate these resources. Non-profit mailing rates nearly doubled in 1982. Currently, there is a request for a cut in fiscal 1983 in the subsidy for mail used by non-profit organizations. This effects our mail solicitations as well as local and national information networking. As anyone who spends time sorting a non-profit bulk mailing knows, the task is odious, but the savings considerable.

Volunteer forces are the backbone of any museum, supporting staff and providing invaluable services to children, senior citizens, students, visitors and tourists. Volunteers are becoming more difficult to obtain. They cannot afford to volunteer. Babysitting, gas and transportation costs plus the need for additional family income are all taking the volunteer out of the cultural institution. College interns are scarce and therefore, a source of free research has suffered. Our state arts and humanities agencies are experiencing reduced appropriations. The amount of tax deductions artists can make on gifts to museums is currently limited to the costs of raw material. Therefore, the possibility of creating incentives for art donations from significant artists are eliminated. The (a) lowering of the maximum marginal income tax rate from 70 percent to 50 percent and (b) the lower marginal income tax rates at each income tax bracket, enacted as part of the Economic Recovery Tax Act of 1981 (ERTA), serves as a disincentive for individuals to make charitable contributions. Foundations are finding a decrease in their available money for granting and corporations, ever mindful of stockholders, are becoming more cautious about funding in the arts. The sense of shared responsibility for the arts has been badly shaken.

Museums carry the heavy burden of providing an irreplaceable service to the community and country. Their product is highly significant and their effect monumental. They face the universal problems of any large institution -- deferred maintenance, escalating costs of goods, services, professional staffing plus the incredible fiscal commitment of exhibition production, publications and conservation just to name a few.

St. Louis leaders know that cultural institutions are good business. Currently St. Louis is considering a 5/8 percent sales tax for cultural institutions as part of an economic development plan. A key manager of the legislation, however, said that including "cultural institutions" in the bill would cause its demise. The arts continue to have acceptance problems. Cultural institutions, however, are a major reason for individuals visiting metropolitan St. Louis.

In 1979, 66.3 percent of the St. Louis museums' visiting population came from out-of-state. Seven percent were foreign visitors. Museums are good business in the heuristic realm, but also in the practical sense. The delivery of services funded by a coalition of city, state, federal and private funds extends to individuals from across the nation and abroad. In this manner, the federal dollar is again multiplied through the dispersement of services over a wide range of the population.

Communities know the importance of marketing their cultural institutions. However, the notion of paying for those art services which educate and excite, stimulate and motivate, is a concept shared by a few. To remove federal funding says, in effect, it's "okay" not to support the arts. We must continue to broaden the base for public acceptance and support of the arts. We do that by recognizing and continuing the landmark accomplishments in the arts at a federal level.

The endowment has supported career activity in the museum field encouraging persons with creative and culturally significant ideas. The endowment programs reflect American concepts and thoughts about the arts -- a tangible reality through our museums. The endowment has spurred support from the private sector. Through judicious dispersement of funds and its concern for the quality of the arts, their touch is magic. Nothing gives me more pleasure when requesting a contribution than to note that the project is supported by the National Endowment for the Arts.

There is no evidence that museums have not "earned" their support from the federal government. It is necessary to take a position of purpose and confidence with regard to federally financing museums. Museums are moving forward to fulfill their commitment. The responsibility is a shared one.

Francis Henry Taylor wrote in The Taste of Angels "...works of art have been preserved and handed on from one generation to the next because the ideas that lie behind them are, and always have been, considered vital to the abundant life. They are the very things which distinguish the adolescence of one nation from the intellectual maturity of another."

You know support for NEA has contributed to the past and present status of arts in this country. The National Endowment for the Arts has been inherently productive and deserves the right to continue. Federal support is a link in the chain of financing for the arts. Strengthen it and the whole system will respond.

Thank you.

# # #

Mr. YATES. Good statement, Beej.

When Mr. Hodsell was before us he provided the Committee with a statement, one of the paragraphs in the statement was this:

> The arts in America continue to lead the world in terms of excellence, and in exhibition and production of that excellence. There are dozens of regional theaters; there's Broadway; there's Hollywood; there are painters and sculptors everywhere. Most modern architecture begins here. There's a greater variety of first-class orchestras here than in any other single country. We are a world center for ballet and modern dance. There are great museums throughout the country. And, artists from around the world continue to flock to America. This is a tribute to our country. And we do this without academies, without official standards—very much in the enlightenment tradition of the country's founders, a tradition embodied in the Endowment's enabling statute."

I suggested to Mr. Hodsell that the high state of the arts in this country was attributable, in great measure, to the influence of the Endowment; to the tangible and personal support that had been given to the Endowment by both Congress and the Administrations over the years since its creation; and by people in both parties, the Democrats and the Republicans.

I suggested to him that it reached its culmination in 1981 with the Endowment funding of $158 million and that subsequently last year the retreat was sounded with the request by Mr. Stockman that the funding for the Endowment be cut back from $158 million to $88 million.

Fortunately, the Congress saw fit to overrule Mr. Stockman and to provide $143 million which was still a reduction from what it has been. This year the Administration proposes to reduce it even further. I suggested to Mr. Stockman that I thought this was a further restreat, that the preeminence that American art has achieved throughout the world would suffer as a result of the withdrawal of support which the budget seemed to indicate.

Your testimony here today and that of your colleagues seems to corroborate that kind of opinion. Do you have that same view?

Ms. SMITH. Yes, I have exactly that view or I wouldn't be here today and it pleases me to hear you verbalize it. St. Louis is a city of many different people and many different interests. Those of us in the arts have seriously pursued the question of excellence but parallel to that has been the question of financing that excellence. We assume the responsibility of continuing to consider excellence and fiscal responsibility. We are pleased that you encourage us, and you do. We feel that our constituency will support us to a great degree if they know the Federal Government is behind us.

Mr. YATES. I have to leave you now to vote and I will be right back.

[Brief recess for vote.]

Mr. YATES. We will resume.

Mr. Wells, you may proceed.

Mr. WELLS. Mr. Chairman, I am Ben H. Wells, representing business in St. Louis.

Former Chairman of the Seven-Up Company. Retired in 1979 and now devoting efforts to fund-raising for not-for-profit cultural institutions such as the St. Louis Symphony Society, the St. Louis Conservatory and Schools for the Arts, First Street Forum, Laumeier International Sculpture Park, and lobbying the Missouri

Legislature for the Missouri Arts Council. That is the most not-for-profit of all, of course.

The arts have flourished in St. Louis through the awareness and efforts of citizens involved in the various agencies and institutions and through the enjoyment, enlightment and participation of thousands of people in all walks of life, of all ages and of all tastes. Literally hundreds of thousands have benefited from the arts institutions in St. Louis. When the National Endowment for the Arts was established in 1965 it had an electrifying effect on arts organizations. It provided grants for State arts councils and hosts of arts organizations. One of these was the St. Louis Symphony Orchestra, which matches every grant with private funds.

In 1976 NEA offered challenge grants to 30 orchestras, up to $1 million, to be matched 3-to-1 from local funds in 3 years. The St. Louis Symphony was one of six major orchestras to receive a challenge grant of $1 million. It was to be matched by December 31, 1979. The symphony was in the midst of a capital fund drive to increase endowment and balance the budget for 3 years. This NEA challenge grant was a powerful story to take to corporations, individuals, and foundations: If the symphony made its goal of $3 million in 3 years, it would get another $1 million from NEA.

The goal of $3 million was reached in 2 years—the first major symphony to make it. By the December 31, 1979, deadline, the St. Louis Symphony had matched the challenge 4½ to 1.

Now, this is the table showing the result of matching grants with institutions in St. Louis.

Mr. **Wells**. The Greater St. Louis Arts and Education Council, the NEA Challenge Grant was $250,000, the match requirement was $750,000, and the final match was $2,077,000. Repertory Theater of St. Louis—NEA challenge $100,000; match required $300,000. Final match $638,719.

St. Louis Conservatory and Schools for the Arts—an institution dearly beloved to me because it combines a first class conservatory with a school for the teaching of kids who would never otherwise be able to get music and arts instruction from the best in the business—musicians from the St. Louis Symphony Orchestra. NEA challenge, $300,000; match requirement, $1,050,000. Final match, $1,816,184.

And an aside to Chairman Yates. The Dean of the St. Louis Conservatory is Joel Revzen, an accomplished musician and great recruiter of talent for the conservatory. He says that he was your caddy at Bryn Mawr Country Club and that you have a magnificent swing.

Mr. **Yates**. At a time when I knew how to play golf.

Mr. **Wells**. And he said you have a magnificent swing.

Mr. **Yates**. He is right. Almost as good as the way in which Mr. Perlman handles his bow.

Mr. **Wells**. And these are the actual figures on that St. Louis Symphony challenge grant, the NEA challenge was $1 million, the match required was $3 million. Final match, $5,372,136.

And throughout Missouri: Kansas City Philharmonic—NEA challenge, $150,000; match required, $450,000. Match as of 1981, $809,155.

Nelson Gallery Foundation—NEA challenge, $450,000; match required, $1,350,000. Match as of the end of 1981, $1,998,176.

Dance Concert Society—NEA challenge, $64,500; match required, $193,500. Match as of the end of 1981, $225,549.

Missouri Botanical Garden—NEA challenge, $350,000; match required, $1,400,000. Match as of March 1981, $3,966,606.

St. Louis Art Museum—NEA challenge, $350,000; match required, $1,050,000. Match as of May 1982 has exceeded that, with the rest of 1982 still to go. We have a total of $5 million in challenge grants from NEA and a total of $17 million raised by these organizations. It has a galvanizing effect on local volunteers to go out and raise the money, and get this great bonus from the Federal Government.

Federal support for the arts at the level recommended is hardly prolific. Britain spends $3.60 per capita; France spends $1.83 per capita. The United States spend 74 cents.

In the State of Missouri results have been spectacular. The NEA awarded a challenge grant of $100,000 to each of the fifty States. In Missouri, in 1970, this was matched by an appropriation to the Missouri Arts Council of $246,000. The St. Louis Symphony is a beneficiary of the Missouri Arts Council and organized a statewide lobbying network to explain the importance of the arts to the benefits and joys of living in Missouri. This lobbying effort is now known as the Committee for the Arts in Missouri. It has committee members througout the State, all with personal relationships with legislators in the House of Representatives and the Senate in Missouri.

These legislators are told—and they know—that they are truly enlightened in the importance of the arts to the stature of a State, its attracting to people coming in, and its holding power for the young people growing up.

In 1970, 40 arts organizations received support from the Missouri Arts Council. In 1980, 340, in every kind of activity—music, dance, crafts, painting, drama, sculpture—the whole panoply with the whole State resounding to the sound of much and the fervor of art in all forms.

In 1970 the appropriation to the Missouri Arts Council was $246,000. In 1980 it was $2,500,000—not in the rank of the big spenders like New York, California and Illinois—but still in the top 15 in dollars and the top 10 in per capita. In 10 years Missouri went from the bottom five to the top ten of States in per capita expenditure for the arts.

The stimulation of NEA challenge grants upon local and State support of the arts is truly staggering. It arouses that enthusiasm, competitive spirit and drive of volunteers, organization leaders and legislators to go out and win the Federal lollypop many times over. Their people who benefit from the arts are the real prize winners.

Thank you, Mr. Chairman.

[The statement of Ben Wells follows:]

TESTIMONY BEFORE HOUSE SUB-COMMITTEE ON BUDGET FOR HOUSE APPROPRIATIONS COMMITTEE ON THE INTERIOR

Room B-308, Rayburn House Office Building
Friday, May 21, 1982, 10:00 AM

Mr. Chairman (Sid Yates), Honorable Representatives:

Ben H. Wells, representing business. Former chairman of The Seven-Up Company. Retired in 1979 and now devoting efforts to fund-raising for not-for-profit cultural institutions: the Saint Louis Symphony Society, the Saint Louis Conservatory and Schools for the Arts, First Street Forum, Laumeier International Sculpture Park, and lobbying the Missouri Legislature for the Missouri Arts Council.

The arts have flourished in St. Louis through the awareness and efforts of citizens involved in the various agencies and institutions and through the enjoyment, enlightenment and participation of thousands of people in all walks, of all ages and of all tastes.

When the National Endowment for the Arts was established in 1965 it had an electrifying effect on arts organizations. It provided grants for state arts councils and hosts of arts organizations. One of these was the Saint Louis Symphony Orchestra, which matches every grant with private funds.

In 1976 NEA offered challenge grants to 30 orchestras, up to $1 million, to be matched three-to-one from local funds in three years. The Saint Louis Symphony was one of six major orchestras to receive a challenge grant of $1 million. It was to be matched by December 31, 1979. The Symphony was in the midst of a capital fund drive to increase endowment and balance the budget for three years. This NEA challenge grant was a powerful story to take to corporations, individuals, and foundations: If the Symphony made its goal of $3 million in three years, it would get another million from NEA.

The goal of $3 million was reached in two years -- the first major symphony to make it. By the December 31, 1979 deadline, the Saint Louis Symphony had matched the challenge four and a half-to-one.

(Here distribute copies of "National Endowment for the Arts Challenge Grants/Status of Matching/For the State of Missouri")

This table shows challenge grants made to Missouri arts institutions by the NEA, the amount of the challenge, the matching required, the grant period, and the final match.

Just look at these results:

Greater St. Louis Arts and Education Council -- NEA challenge $250,000; match requirement $750,000. Final match $2,077,382.

Repertory Theatre of St. Louis -- NEA challenge $100,000; match required $300,000. Final match $638,719.

St. Louis Conservatory and Schools for the Arts -- an institution dearly beloved to me because it combines a first class conservatory with a school for the teaching of kids who would never otherwise be able to get music and arts instruction from the best in the business -- musicians from the Saint Louis Symphony Orchestra. NEA challenge $300,000; match requirement $1,050,000. Final match $1,816,184.

And an aside to Chairman Yates. The Dean of the Saint Louis Conservatory is Joel Revzen, an accomplished musician and great recruiter of talent for the Conservatory. He says that he was your caddy at Bryn Mawr Country Club and that you have a magnificent swing.

And the actual figures on the Saint Louis Symphony -- NEA challenge $1 million; match required $3 million. Final match $5,372,136.

And throughout Missouri: Kansas City Philharmonic -- NEA challenge $150,000; match required $450,000. Match as of 2/81 $809,155.

Nelson Gallery Foundation -- NEA challenge $450,000; match required $1,350,000. Match as of 10/81 $1,998,176.

Dance Concert Society -- NEA challenge $64,500; match required $193,500. Match as of 8/81 $225,549.

Missouri Botanical Garden -- NEA challenge $350,000; match required $1,400,000. Match as of 3/81 $3,966,606.

St. Louis Art Museum -- NEA challenge $350,000; match required $1,050,000. Match as of 5/82 has exceeded that, with the rest of 1982 still to go.

Let's not belabor the effects of NEA challenge grants in getting the volunteers and business and foundations going on raising these three-to-one funds to meet the challenge. You get the picture. The NEA has brought forth an eruption -- an explosion -- of interest and support for arts institutions in the United States. This applies to thousands of individuals -- volunteers, who get involved and do the fund-raising, and to millions of citizens of all ages and walks who enjoy, participate, learn and contribute to the burgeoning of the arts in America.

The NEA has excellent administration and staff. Every request is carefully screened by someone who knows the field, and grants are judiciously applied to get maximum return in local support for the organization. People are stimulated to redouble their own efforts under the impetus of that Federal participation.

Federal support for the arts at the level recommended is hardly profligate. Britain spends $3.60 per capita; France spends $1.83 per capita. The United States spends 74¢!

Local and state governments are stimulated by Federal dollars. In the city of St. Louis the Arts and Humanities Commission has secured assistance for numerous neighborhood, group and city-wide projects.

In St. Louis County NEA gave a grant of $10,000, which was matched four-to-one, for a highly successful exhibit at Laumeier International Sculpture Park -- the Jackie Ferrara sculpture project.

In the state of Missouri results have been spectacular. The NEA awarded a challenge grant of $100,000 to each of the fifty states. In Missouri, in 1970, this was matched by an appropriation to the Missouri Arts Council of $246,000. The Saint Louis Symphony is a beneficiary of the Missouri Arts Council and organized a state-wide lobbying network to explain the importance of the arts to the benefits and joys of living in Missouri. This lobbying effort is now known as the Committee for the Arts in Missouri. It has committee members throughout the state, all with personal relationships with legislators in the House of Representatives and the Senate.

These legislators are told -- and they know -- that they are truly enlightened in the importance of the arts to the stature of a state, its attraction to people coming in, and its holding power for the young people growing up.

In 1970, 40 arts organizations received support from the Missouri Arts Council. In 1980, 340, in every kind of activity -- music, dance, crafts, painting, drama, sculpture -- the whole panoply with the whole state resounding to the sound of music and the fervor of art in all forms.

In 1970 the appropriation to the Missouri Arts Council was $246,000. In 1980 it was $2,500,000 -- not in the rank of the big spenders like New York and California, but still in the top 15 in dollars and the top ten in per capita. In ten years Missouri went from the bottom five to the top ten of states in per capita expenditure for the arts.

The stimulation of NEA challenge grants upon local and state support of the arts is truly staggering. It arouses that enthusiasm, competitive spirit and drive of volunteers, organization leaders and legislators to go out and win the Federal lollypop many times over. Their people who benefit from the arts are the real prize winners.

NATIONAL ENDOWMENT FOR THE ARTS CHALLENGE GRANTS
STATUS OF MATCHING
FOR THE STATE OF MISSOURI

Completed/Reports Submitted

	Grant Period	NEA Funds	Minimum Required Match	Final Match
Greater St. Louis Arts and Education Council (I)	1/77-5/80	$ 250,000	$ 750,000	$ 2,077,382
Repertory Theatre of St. Louis (II)	12/77-5/81	100,000	300,000	638,719
St. Louis Conservatory and School for the Arts (II)	12/77-5/81	300,000	1,050,000	1,816,184
St. Louis Symphony (I)	1/77-12/79	1,000,000	3,000,000	5,372,136

Continuing

	Grant Period	NEA Funds	Minimum Required Match	Match	As Of
Kansas City Philharmonic (III)	12/77-5/81	$ 150,000	$ 450,000	$ 809,155	2/81
Nelson Gallery Foundation (IV)	12/79-4/83	450,000	1,350,000	1,998,176	10/81
Dance Concert Society (III)	12/78-5/82	64,500	193,500	225,549	8/81
Missouri Bontanical Garden (IV)	12/78-12/81	350,000	1,400,000	3,966,606	3/81
St. Louis Art Museum (IV)	1/80-12/82	350,000	1,050,000	902,745	6/81
TOTALS		$ 3,014,500	$ 9,543,500	$ 17,806,652	

TOTAL NUMBER OF INSTITUTIONS: 9

Mr. **Yates**. Thank you very much for a very good statement.

Mr. Zimmermann.

Mr. **Zimmermann**. I would like permission to submit statements on behalf of two other arts institutions in St. Louis, the Opera Theatre and the Repertory Theatre of St. Louis.

Mr. **Yates**. Those statements may be received for the record.

[The information follows:]

OPERA THEATRE OF SAINT LOUIS

March 29, 1982

"In six short years, Opera Theatre has achieved national and international prominence by encouraging the development of young American artists and by including in its repertory works that are distinctly American in nature -- operas that are genuinely expressive of grassroots culture. The first is A VILLAGE SINGER, a one-act work given its world premiere by Opera Theatre in 1979. The second, which will receive its world premiere on June 17, is THE POSTMAN ALWAYS RINGS TWICE. Both of these operas were commissioned by Opera Theatre from Stephen Paulus, a brilliant young Minnesotan whose career, literally, has been nurtured by the National Endowment for the Arts.

Reductions in funding for the Endowment put in peril the development of talents such as Stephen Paulus's, and threaten the viability of young, adventuresome organizations such as Opera Theatre."

Richard Gaddes

Richard Gaddes,
General Director

Robert W. Duffy,
Director of Development

P.O. Box 13148 St. Louis, Missouri 63119 314 961-0171

THE REPERTORY THEATRE
OF ST LOUIS
Wallace Chappell
Artistic Director
130 Edgar Road
PO Box 28030
St Louis, MO 63119
(314) 968-7340
Box Office
(314) 968-4925

The impact on St. Louis made by the National Endowment for the Arts is significantly greater than is generally realized. As the NEA goes, so go the Missouri Arts Council and the Arts & Humanities Commission of the City of St. Louis. The attitudes emanating from the federal government are at least as important as the actual dollars it allocates. If it becomes fashionable to cut arts funding on the federal level, the temptation will be felt in all areas of public funding.

Whether Washington is a "Big brother" or a "Little brother" to its constituents, the leaders of our country make decisions there that affect every level of decision-making. It is therefore critical that the leaders of our country characterize and support the arts as vital to the life of our nation. It should also be pointed out that in times of depression/recession not only are pocketbooks affected, but so are our minds and hearts. Our spirits need solace, need celebration, need affirmation. The emotional understanding promoted by the arts is doubly necessary in the gloomy, scarey times that currently exist. Someone once said that an audience is "rehearsing for life" when it watches a play, with the actors serving as their substitutes, their surrogates, their scapegoats. Theatre serves an important societal function, indeed! Theatre at its finest can meet this need, but it can only maintain that level of quality with support from every sector--private, corporate and public.

The NEA has been a leader in seeding the renaissance of the arts in this country; it would be shameful at this point in history to see the institutions that are so valued in St. Louis wither on the vine because they lack the external support required to flourish. An NEA Challenge Grant provided the impetus for this theatre to raise $300,000 in new and increased gifts; opened the door for us to solicit, for the first time in our history, the St. Louis corporate community. An NEA Director Fellow grant has given our Studio Theatre a second chance at life, to provide a unique theatre experience not available anywhere else in our region.

Wallace Chappell, Artistic Director

Mr. ZIMMERMANN. I am Gerhardt Zimmermann, I have conducted in St. Louis for a total of 8 years. This is my eighth and final year.

Mr. YATES. Why your final year?

Mr. ZIMMERMANN. Well, I will get to that.

Mr. YATES. I can hardly wait for your testimony.

Mr. ZIMMERMANN. I would like to start out by saying that perhaps I represent here, more than anyone else, what this country means to an individual and what the NEA has done for an individual. I spent my entire life in the Midwest, I was born in a small town in Ohio. I heard my first live orchestra when I was 17 years old and I happened to be sitting in one Bolling Green State University in Ohio.

From there I taught public schools, I have taught in Macombe, Illinois, and because of the Exxon Arts Endowment Grant I was able to start my real professional career in St. Louis. The Exxon Grant has been the lifeblood of the American conductor. Without that I do not think that the state of the health of American conductors would be as great.

It has been a chance for American conductors. I do not know if you know that much about the Exxon program but it is a unique program supported by Exxon and the National Endowment and the rationale for the program is to train young American conductors to eventually become music directors.

Mr. YATES. What is the share between Exxon and the Endowment in providing funding?

Mr. ZIMMERMANN. That I cannot tell you.

Mr. YATES. We will find out. I am sure we can find out from the Endowment.

Mr. ZIMMERMANN. All right.

Mr. YATES. It is a good partnership though, isn't it?

Mr. ZIMMERMANN. Absolutely and without this there would not be the grant from Exxon and without the grant from Exxon the future for American conductors would be lessened considerably.

Not only that I think the future for the performance of American composers would be lessened. I can give you an example. Two years ago I was named music director and conductor of the Canton, Ohio Symphony and while I mention Canton——

Mr. REGULA. Good morning.

Mr. YATES. He came in on cue, didn't he?

Mr. ZIMMERMANN. We do thank you very, very much for your support of the arts, Mr. Regula, and certainly for the sponsorship of the resolution recently passed by Congress proclaiming June 13 through 19 as National Orchestra Week.

Anyway, in Canton——

Mr. YATES. He is really very good. I do not care what the others say about him. I know he is very good.

Mr. ZIMMERMANN. The 5 years before I went to Canton, Ohio, one American work was presented on their subscription series. That American work happened to be a very famous American work although composed over 25 years ago. It was composed by Samuel Barber. Since that time we have increased the amount of performance of American composers ten-fold.

I think any American conductor has a great belief in taking American composers under their wings and making sure that they are heard. The same I think would go for American performance making sure that they are presented to all of our audiences.

Now, going back to why this is my last year in St. Louis.

Mr. YATES. Before moving to Canton?

Mr. ZIMMERMANN. No, no, I am not sure yet. This is one of those periods of time in one's life.

Mr. YATES. I feel that way about our budget.

Mr. ZIMMERMANN. I signed a contract last week as music director of the North Carolina Symphony so next season I will be music director of Canton and North Carolina. Where I will live I have not determined yet.

Mr. YATES. You must be pretty good. You don't have to comment on that. We will ask Mr. Regula to comment on that.

Mr. ZIMMERMANN. Okay. I guess that brings me to the question of why the arts. Why we need the funding for the arts? I know there is lots of talk going on about the social programs, programs for the poor, how high the national Defense budget is, et cetera.

I would like to say that there is really no one more concerned about the defense of this country than I am and I am glad that people in Congress and the Administration do support a strong defense. But after this is said and done I always have to ask myself what exactly are we defending? What are we protecting? Unless you are a great student of history I do not think there are too many people that can give verbatim the battles or all of the conflicts that permeated the Italian Renaissance. I think many people can tell you though that out of the Italian Renaissance we have such great artists as Michaelangelo, Raffael, and Leonardo DaVinci. This I think is what we are protecting. The arts make a great Nation. They make a great civilization. I think the leaders of our country must protect and preserve our quality of life. I would rather have heard that 1981 was the year of a great symphonic masterpiece or a great sculpture, or great painting rather than saying now the American people can own their own Pac Man machine or something like that. Not that I am putting down Pac Man machines, it is a good game by the way.

Because of the NEA, there has been a great explosion that really means that we can now bring the arts to so many people and if I can make a quote from a lady I wish I knew, her name was Nancy Hanks, she said and I quote——

Mr. YATES. We can call her up and bring her in if you want to.

Mr. ZIMMERMANN. "We want every student to have an opportunity if he so wishes to partake in the great arts of this country." As I said, I think this is what makes this country great.

I alluded to the NEA giving us the means, the financial support for this great arts explosion that has really happened in the last 15, 16 years that has meant many concerts for many orchestras throughout the country.

In Canton, Ohio, one of the favorite concerts of the people is the July 4th free concert. In St. Louis, Missouri we have played for the July 4th concert to more than 500,000 people with these concerts.

I think it is a wonderful way to enrich their lives, to expose them to great music, to great art. This is the first year——

Mr. YATES. May I interrupt you for just a second to point out that in the District of Columbia, this committee was responsible for providing the National Symphony with funds to perform three concerts on national holidays on the west lawn of the Capitol which I think is comparable.

Mr. ZIMMERMANN. Yes, and we certainly appreciate those efforts.

Going along the same line, in Canton this was the first year that we could present a free concert to the public and also a free concert to the older members of the community.

In St. Louis, this is the second year that we have presented two concerts to the handicapped community and to be able to see the children come in and experience the joys of music; to become so excited that they scream out from the energy of the music and the energy of the orchestra.

In St. Louis, I am also on the Board of Directors of the Waymakers which is a home for the handicapped and for the elderly.

The St. Louis Youth Orchestra is sponsored in part by the St. Louis Symphony Society. Part of the program that the St. Louis Youth Orchestra presents is the bringing in of these people, the Waymakers, at which time of the concert I will go back and greet them and talk to them as well as taking several of the Youth Orchestra members back with me.

In St. Louis, we play 38 children's concerts before over 90,000 young people.

In Canton, our smaller ensembles, along with the full orchestra children's concerts, we play before over 35,000 people, this includes children from 11 counties.

In North Carolina, the orchestra that I am going to in September, we tour the entire State giving young people's concerts and various demonstrations. These concerts provide the children's first and lasting exposure to the beauty and joy of music.

These are the programs that I personally feel will be the first to go if we experience cuts in the budget.

In St. Louis, 5 years ago was the first time that we were able to have a line item in our budget for children's concerts and we have taken that money to work with various multi-media groups. For example, summer mime theatre, the Loretta Hilton Theatre, St. Louis Opera Theatre, Bob Kramer's Marionettes, the various ballet companies throughout the city, and would certainly like to see that kind of cooperation continue. We need your support.

Basically, I guess what I am saying is that the NEA enables us to give these free concerts, to give concerts for the handicapped to enrich their lives, to give these concerts to the children and really to enable us to build new audiences.

And in closing, two examples to give, I guess, in North Carolina we have one opening for one violinist. There are 80 applicants. There is a job market. We cannot take away any more jobs. In fact, we have to go the opposite way.

In Canton, Ohio, we have a Metropolitan Orchestra that is a per service orchestra. In other words, each member, except for the string quartet, seems so much money per review. It comes out to approximately $2,500 a year. For 10 openings for this season we had over 100 applicants.

For the position of assistant conductor we had 16 applicants and this position paid $7,000. We can't take these jobs away.

Mr. Yates. That was for the opportunity of working with you.

Mr. Zimmermann. No, they didn't know me at the time.

The leadership, the guidance and the support, I say once again, of the NEA has been a key to the explosion of the arts. It has led to an expectation of the opportunity that young people have to dedicate their life to music and I would hate for us to basically put a sign on the door that says, "We are sorry, we have no more work for you," or, "We are sorry, we don't want to help you so much anymore."

Thank you.

Mr. Yates. Well, that is a very good statement. You testified about the need for a large defense program, there is also the need for the maintaining of the American security. I couldn't help thinking of the testimony that was given last year by the eminent author, Mr. Doctorow. He had appeared, as you are today, as public witness in support of the arts, and at the conclusion of a long day he said he didn't know whether he should testify in support of the arts again because, "The truth is you take away the lunches of school children, payments of miners with black lung, you might as well cut the funds of poets and musicians. You cannot cut up the texture of our society and expect it to survive."

In great part, that is what is happening to the arts program. It is being cut back now; drastically moving from $158 million at the high point really of the appropriations that it had received. Even though it had had the support, as I indicated before, of members of both parties in the Congress and in the Administration it has now turned back. And I think it was the efforts of this committee in great measure which helped sustain it last year by providing not the amount that Mr. Stockman had recommended, which was $88 million, but, rather, providing $143 million ultimately, which I think permitted it to still maintain an adequate budget.

This year we are faced with a recommendation of $100 million. I hope the committee will find that it can recommend more than that. I think it will. I don't know how much it would be able to recommend. We won't know that until the budget is through the Congress. But that is something we will have to face.

The record is clear that this committee does support the program for the National Endowment for the Arts and Humanities and for the Smithsonian and for the National Art Gallery and for so many of the great cultural institutions in this country.

We believe they are a necessary part of our national life. And I want to close with my comments by first of all congratulating this St. Louis team of performing artists who came in today and did such an eloquent and outstanding job of formulating a very persuasive series of arguments in support of the National Endowment for the Arts.

I think you did a first rate job and I want to apologize to you, too. Because when I was told that it was suggested that you come in and testify before our committee, I said, "I don't know any of them. I have never heard of them, really. I am sure I will in the future, but," I said, "what we need is somebody who can sweep the Congress, who can sweep the country with the force of their careers and the force of the position that they occupy in the community."

I think I was wrong. I think that, too, is something we have to have and have to have desperately but your arguments have been most persuasive and most eloquent and may I say most delightful.

I loved the story of the unfinished symphony. I thought that was superb, and the rest of you, of course, have been most persuasive. I want to thank you on behalf of the committee for the very fine job that you have done.

Do you have any questions or comments?

Mr. REGULA. Yes, Mr. Chairman.

Mr. YATES. Other than Canton.

Mr. REGULA. Thank you, Mr. Chairman.

As you know, I have had some skepticism in the past.

Mr. YATES. Not too much; you have overcome it.

Mr. REGULA. Aside from the persuasive impact of my chairman here and maybe redirecting some of my opinions, I think even more persuasive has been the results in the community that I represent. Mr. Zimmermann has provided leadership along with strong support from the people in the community for an outstanding program for a community our size.

Canton is only 100,000 people. That is not a very large city to support the broad range of activities there, particularly the symphony.

Mr. YATES. With your help, and Mr. Zimmermann's it is going to grow.

Mr. REGULA. Well, it is growing and I am especially pleased that they reach out to the school programs. I have always felt strongly that our programs for the NEH as well as the NEA ought to reach more out to people throughout the country.

In the Canton environment that has been true. The groups go out to the schools. You light a spark in a child and that, to me, justifies the support from the taxpayers in the community. Maybe everyone don't care about it, but at least there is an opportunity for those who do and for many to learn about the joys of whatever might be appealing to them. And Mr. Zimmermann approached it in that way.

I just have a couple of questions. As a followup to that, Mr. Zimmermann. Do you think NEA has adequately distributed the available resources in terms of trying to give a broad sweep rather than concentrating on places like New York City and other large population centers? Do you think that access to the funding is adequate for the smaller communities so that we really do accomplish the objective of providing the spark for the school children wherever they might be?

Mr. ZIMMERMANN. I have to be very honest with you and say I have no idea what the allocations are and what the percentage of the allocations would be.

Mr. REGULA. Well, as a matter of policy, aside from the numbers, would you feel that the Federal programs should be designed to reach as broad an audience as possible?

Mr. ZIMMERMANN. I think as a general policy, absolutely.

Mr. REGULA. I hope we can expand the NEA's impact on the local communities.

Mr. **Yates**. All we have to do is increase their appropriation.

Mr. **Regula**. Well, it is not just that, Mr. Chairman. It is a matter of how the available resources are allocated. As you well know, I have some question about the way in which we have used it.

Mr. **Yates**. You have always been a strong supporter of the Endowment and I am going to leave it at that.

Mr. **Regula**. We are going to hear from our State Senator very shortly who is the Sid Yates of the Ohio Senate.

Mr. **Yates**. I am not sure what that means.

Mr. **Regula**. Ohio responded affirmatively.

Mr. **Yates**. Good, that is fine.

Mr. **Regula**. In fact, in the face of austerity that budget has been increased.

Mr. **Yates**. Instead of becoming the mother of Presidents, you became the father of the arts.

Mr. **Regula**. Not I. But I was interested in your comment and response to the chairman's question.

As you mentioned, we have the 4th of July event at the McKinley Monument in Canton. It has been very popular and very well received.

Do you feel that the National Symphony program that we had on last July here in front of the Capitol was a worthwhile project and should be sponsored by the NEA? Did it reach a lot of people?

Mr. **Zimmermann**. Well, I don't know what the Nielson rating is but I would say that it brings the arts to the people and it was absolutely a worthwhile project.

Mr. **Regula**. I guess what I am asking: In your judgment, is this the kind of thing that does bring the arts to the people?

Mr. **Zimmermann**. Yes. Absolutely. In my mind there is no question about it.

Mr. **Regula**. I would hope, frankly, that we could videotape those in the future and then make the tapes available for distribution to the schools across the country.

Mr. **Zimmermann**. In fact, talking about taping, I must say that WPSU, the radio station for Penn State University, receives money from the NEA and tapes one concert of the Canton Symphony and broadcasts it through the northern Ohio region. They also tape the concert at the University which is certainly instrumental in bringing our music to the people in that area.

Mr. **Regula**. Do you have any idea what percentage of the Canton Symphony budget is provided by NEA funding? It is probably very small?

Mr. **Zimmermann**. No, I don't know.

Mr. **Regula**. That is all, Mr. Chairman.

Mr. **Yates**. Thank you.

Mr. Dicks?

Mr. **Dicks**. You are aware of the magnitude of the cuts that are being proposed by the Administration ?

Mr. **Zimmermann**. Yes.

Mr. **Dicks**. The Administration's cuts are reductions from the $143 million which this committee approved last year. The cuts that I am concerned about total about $43 million and I would like to get your opinion on the reductions and reducing the challenge grant program from $14.4 million down to $7.3 million.

In the State of Washington, where I come from, the challenge grant program has been a catalyst that has raised probably more money than the 3 to 1 match required. It seems to me if you are serious about trying to get the private sector to contribute more to the arts, one of the last things in the world you would want to do is to cut back the challenge grant program.

How do you feel about that?

Mr. **Zimmermann**. Oh, I agree. The same thing you are talking about in your State has happened in St. Louis. I think Mr. Wells who testified on the challenge grants, et cetera, can be more eloquent than I can. But certainly there is no doubt that these challenge grants have been a very great stimulus to the business community.

Mr. **Dicks**. There also has been talk about "volunteerism" and about the private sector taking over the burden and responsibility of support for the arts. From your professional viewpoint, do you think in the current economic climate we can count on the private sector to increase their financial participation and commitment?

Mr. **Zimmermann**. Not with the economic climate as it is now. I think they are producing as much as they humanly can.

Mr. **Dicks**. Do you think there will be some reductions in private giving because of the economic climate?

Mr. **Zimmermann**. That I would not care to speculate on.

Mr. **Dicks**. Have you seen any yet? Your State, as I understand it, has quite a high unemployment rate.

Mr. **Yates**. He is in St. Louis.

Mr. **Zimmermann**. We have not seen that yet that I know of.

Mr. **Yates**. You mean cutbacks by the private sector?

Mr. **Zimmermann**. There hasn't been a cutback.

Mr. **Yates**. I think his question is: Have there been increases to offset the cutback in funding by the National Endowment?

Has the private sector made that up?

Mr. **Zimmermann**. As far as I know, I would hate to say for sure. I would hate to go on the record.

Mr. **Yates**. The testimony we have is there have been some increases but not comparable to the cuts in the national program.

Mr. **Zimmermann**. I think that the challenge grants are so vital and so important to exciting and stimulating the business community.

Mr. **Van Hevelingen**. Mr. Chairman, may I respond very quickly? I would say among smaller arts organizations that serve smaller or poorer constituencies, the result has been quite the opposite. I don't know whether private contributions of inquiry to the St. Louis Symphony have increased. I do know they have decreased, in fact, to the smaller organizations which have always represented constituencies that could not themselves support these making those institutions, frankly, even more dependent on support from the National Endowment for the Arts, the Missouri Arts Council and from us.

It doesn't necessarily mean that the product isn't important. It is very important. It simply means that the constituencies of those organizations don't have the resources to contribute and those have been adversely affected already.

Ms. **Smith**. May I comment, too?

Mr. **Yates**. Sure you may.

Ms. **Smith**. As the Director of a small organization, the point I would like to add is that not only our individual contributions are down but they are not being made up by corporate contributions.

We are also spending more money in soliciting for those contributions and that is another factor when you do your balance sheet at the end. We are pumping more money into just simply mailings.

Mr. **Dicks**. And the cost of mail has gone up, too.

Ms. **Smith**. Yes.

Mr. **Dicks**. So contrary to what the Administration would like everyone to believe, in fact, these cuts could result in some serious damage, particularly to the smaller cultural organizations and institutions.

Ms. **Smith**. Yes.

Mr. **Yates**. It is too bad you were at the Defense Subcommittee the other day when Mr. Gnam of the Endowment testified on behalf of the Music Division of the Endowment. He said chamber music is going to be dead as a result of the cutbacks in the music program alone.

Mr. **Dicks**. This is from the Endowment staff?

Mr. **Yates**. This is from the Endowment staff. I will read you his testimony. There is no question. He dared to tell us that. He was one of those who really spoke up.

Mr. **Dicks**. And he gave us his personal and professional opinion.

Mr. **Yates**. He gave us more than that.

Thanks, Mr. Dicks. I want to thank you all very much.

[The statement of Mr. Zimmermann follows:]

STATEMENT OF GERHARDT ZIMMERMANN FOR THE HOUSE SUBCOMMITTEE ON INTERIOR APPROPRIATIONS

May 21, 1982

Mr. Chairman and members of the subcommittee, it is a pleasure to be here this morning with my colleagues from Saint Louis, Missouri to testify on behalf of the National Endowment for the Arts.

My name is Gerhardt Zimmermann, and I have conducted in Saint Louis for eight years. I began as a participant in the Exxon/Arts Endowment Conductor's program. It is a unique program, supported by both Exxon and the Arts Endowment, designed to give young conductors like myself a chance to train and gain conducting experience. During the three years I spent in the program with the Saint Louis Symphony Orchestra, I studied, practiced, conducted the orchestra in many different settings, and worked closely with the musicians and the staff. I learned what it takes to be a conductor; the demands, the opportunities, and the excitement. It was an invaluable and extraordinary experience that has helped and directed my career immeasurably. When the program finished, I remained in Saint Louis, first as an assistant and now as the associate conductor.

Two years ago, I was appointed Music Director and Conductor of the Canton (Ohio) Symphony Orchestra. I might point out that in Canton, we appreciate Congressman Ralph Regula's support for the arts, and that we are grateful for his sponsorship of a resolution recently passed by Congress to declare June 13-19 of this year as National Orchestra Week. Next year, I will become the Music Director and Conductor of the North Carolina Symphony Orchestra. While I cannot say with certainty that I would not have had these opportunities had I not been an Exxon/Arts Endowment Conductor, I do know that the experience, visibility, and training I gained in the program has been of tremendous value to me since. In that sense you might say I am a product of the Arts Endowment.

But, the Exxon/Arts Endowment Conductor's program, which continues to train fine young conductors for careers with orchestras, is just one example of the cooperation and partnership among business, arts institutions and the federal government that the Arts Endowment has helped support. It is an exciting and successful program that benefits artists and audiences alike. It is like so many other fine programs that I fear will be endangered or even lost if a severe cut in the Arts Endowment budget is approved.

I have dedicated my life to music and the arts. Like my colleagues from Saint Louis and elsewhere around the country here to speak to you today, I believe that arts are crucial to our civilization. The arts define our emotions, our values, and our people. The arts are the finest contributions our society has to offer. And, the support from our society and government for the arts tells the world we are a sensitive, caring and compassionate people.

Whether in Saint Louis, Canton, or North Carolina, as a conductor, I want to communicate the spirit of the music and share these feelings and their beauty with my audience.

My goal is to always provide the highest quality symphonic music for my community. But, I do not believe that is enough. I believe that my orchestras and I have an obligation to our communities to do more than only play great music.

In Saint Louis and in Canton, as in many orchestras across the country, we are commited to provide a full range of musical and artistic services for our communities and regions. We are vital and integral parts of our communities, not merely performers.

We each perform a full series of concerts in our home concert halls. But, if people cannot come to us, we go to them. In Saint Louis, we spend four weeks a year touring throughout Missouri, the Midwest, and the country. I have conducted concerts in Hannibal, Columbia, Joplin, and Cape Giradeau. My Carnegie Hall debut came on an East Coast tour with the orchestra when a snowstorm prevented the scheduled conductor from making it to the hall.

During the summer, we play free concerts outdoors. In fact, one of the most popular ways of celebrating the Fourth of July in Canton is to join the Canton Symphony Orchestra for a free concert in Monument Park.

Both orchestras make special efforts to reach the elderly and the disabled, and we have ensemble programs that perform in hospitals, shopping centers and other public places.

And, of the greatest importance to my mind, we are educators. I believe the Saint Louis Symphony and Canton Symphony Orchestras are the best music educators in our communities. In Saint Louis, we play 38 youth concerts each year for 90,000 school children. On tour, we reach thousands of other school children with youth concerts along the way. In Canton, with youth concerts, ensemble performances, and in-school demonstrations, we reach 35,000 school children each year not only in Canton, but in 11 surrounding counties. In North Carolina next year, I will travel across the state with the orchestra, giving youth concerts wherever we go. For many in our young audiences, these concerts and demonstrations provide a first and lasting exposure to the beauty and joy of music.

In Saint Louis, I also conduct the Saint Louis Symphony Youth Orchestra, an ensemble made up of the finest young musicians from the area. In fact, after I leave this hearing this morning, I will return to Saint Louis tonight for our final performance of the year. For these talented young musicians, this invaluable training gives them performance experience, a chance to work with a professional conductor, and familiarity with the repertoire.

I am firmly commited to these and other education programs because we must educate younger generations about the beauty of our art and music. I want future generations to know about music from the classics and today's modern composers, not just what they hear on "Laverene and Shirley" or their Pac-Man machine.

Saint Louis and Canton are better cities because of their orchestras, and the Saint Louis Symphony and Canton Symphony are better orchestras because of the support they receive from the National Endowment for the Arts.

With the support of the National Endowment for the Arts, orchestras in Saint Louis, Canton and across the country have been able to sustain these important outreach programs and develop new audiences. With the support of the National Endowment for the Arts, they have been able to improve the quality of their artistic product and their management. As a result, with the support of the National Endowment for the Arts, our orchestras are better now than they have ever been before.

Arts Endowment support for these programs is critical. These programs are less likely to attract the support of individual and corporate donors. Others, with greater visiblilty, a guest soloists program or a subscription concert for example, more often receive those funds.

Yet, they are equally vital to the health of orchestras and to the quality of the services we provide for our communities. It is because of the support from the National Endowment for the Arts that these programs have grown in quality and numbers in the past ten years. And, it because of these new services and the audiences they reach that orchestras are now such important parts of their communities. I worry that such a substantial cut in the Endowment budget as has been proposed would force us to cut back and lose many of these special programs.

Today, our orchestras are one of this country's most valuable resources bringing the finest concert music to nearly every community in the country. This did not happen by accident. Rather it has come about as a result of the hard work and dedication of thousands of orchestra musicians, staff members and volunteers working with the guidance and support of a partnership of government, business, and individual donors. Each of the elements in this partnership is essential. Support from the National Endowment for the Arts has been so vital to the growth of the arts in this country and must be sustained.

The arts have always been important to the people of this country. They help us celebrate in good times and sustain us in bad times. For the past sixteen years, the National Endowment for the Arts has been a friend to all of us who work in the arts, a strong friend we could always rely on for guidance and support. With this subcommitte's help again this year, I know that friendship will continue.

Thank you.

FRIDAY, MAY 21, 1982.

PERFORMER PANEL NO. 1

WITNESSES

RISE STEVENS, SINGER

COLLEEN DEWHURST, ACTRESS

ITZHAK PERLMAN, VIOLINIST

LUCIEN WULSIN, CHAIRMAN, COLORADO STATE COUNCIL ON THE ARTS AND HUMANITIES

Mr. **YATES**. Now we have the pleasure of having Ms. Rise Stevens, Ms. Colleen Dewhurst, Mr. Itzhak Perlman and Mr. Lucien Wulsin.

We are honored to have you all. Before you start, can I tell Mr. Perlman how angry I am with him. I listened to his concert the other night. He played the Beethoven Sonata in F and I went dashing out to get a recording of it and he hasn't recorded it.

Well, let me temper that by saying three of the record stores in Washington don't have it and it is not in the catalog.

Mr. **PERLMAN**. Now you are talking.

It was done before. I did it for London Decca which is going to get a telephone call from me.

Mr. **YATES**. We are honored and thrilled to have all of you here today because we recognize you as being preeminent in your careers which you have chosen.

Ms. Stevens, of course, has been one of the great performing artists in the country.

Ms. Dewhurst still walks the stage in glory and, of course, Mr. Perlman is certainly one of the great musicians of the world.

Mr. Wulsin, I don't know whether you sing or play the piano or what you do, but we are glad to have you.

Mr. **WULSIN**. Thank you very much. I am a thorn in a garden of roses.

Mr. **YATES**. You and I are happy to be in such great company.

If you want to go first, Mr. Perlman, we remember the testimony you gave last year regarding the needs of disabled artists.

Mr. **PERLMAN**. You may get some of it again today. You can't avoid it.

Mr. **YATES**. We are glad to hear whatever you wish to tell us.

Mr. **PERLMAN**. First of all, I would just like to make a couple of apologies in advance. I would like to apologize if I am going to be repeating what other people are saying and I am almost positive after listening to the eloquent testimony of the others that I probably will be repeating but I will try to make it short so that any repetition will not be too bad.

And the other thing is I don't think that I am going to be very eloquent in talking about the arts. As a matter of fact, I don't think that it is necessary because the arts themselves are such an eloquent subject.

As a matter of fact, I wish that I didn't really have to testify before you today because I feel that we should all be sold on the arts. It should not be a question. It should be as automatic as you and I breathing but, unfortunately, it isn't automatic. I feel Government should really be sold on this.

It is something that is so important to our society that why should we bargain?

Unfortunately, we do have to bargain. It is just that the arts should be supported. They are an essential part of our lives. They are a fiber of our society. The Government should be the leaders, should set an example through support of the NEA to the private sector. That is very, very clear.

It has been mentioned before that in the last 10 to 15 years there has been a real explosion in the arts and why stop it here? It is a wonderful roller coaster that is going the way that it should be going and when we start to talk about, well, last year the arts were pretty good so this year it is not so good so we are not going to give it as much money, that is something that is very, very damaging.

It is very damaging to people in the private sector because they are going to say: "If we don't have a nice fine example from our Government in supporting the NEA, then why should we do that?"

So, this is a very important thing for the Government to be doing.

The arts really are our stamp. Every society has a stamp. The arts are our stamp and it was said that "a society's achievement will be remembered through the arts." This was mentioned again, Greece and the Acropolis, you think about Egypt, you think about the Pyramids.

Western Europe, you think about the great composers. That is basically the first thing that comes to mind.

When you think about relationships between countries, for example, take China and the United States, I don't know what you remember from the very first period when that relationship started to mend, but I remember—maybe because I am in that business—the Boston Symphony visiting China. That is the first thing that comes to my mind.

The other thing that comes to my mind is "From Mao to Mozart" which is a movie. The minute you talk about a relationship between the countries immediately the arts are among the first few things that are exchanged.

You think about the Boston Symphony coming to represent what we have to offer, what an incredible achievement this is. One of the great orchestras of the world. And the United States of America, which is some 200 years old, no more than that, that is very, very young, and when you talk about a tradition that is there in Europe.

They always say in Europe you have the tradition, you have Bach and you have Mozart and Beethoven and people are raised with it.

And think about what we have accomplished in 200 years, it can't be turned back. We are not talking about Boston or Cleveland or Chicago or New York. We are talking about this is our orchestra which is world class. There is no question about it, our "A" orchestra.

But our "B" orchestras and "C" orchestras and "D" orchestras are of such a high level this is all because of the support that is being given.

For an orchestra to become great it has to start from a certain position and grow. We cannot stop growth. This is one of the worst things that could happen if we do that.

I remember I was talking about countries' relationships. I remember in Israel when the Russians decided that it was good to have a relationship in Isarel to try and renew diplomatic relationships with Isarel. One of the first things that happened was a cultural exchange, the first thing.

I remember a conductor here, Rostropovich, came to Israel at that time. He came from Russia there with David Oistratch and Daniel Barenboim was sent and I was supposed to go to Moscow. So when the Russians decided that it was time to close relationships for whatever political reason it was we got a telegram 24 hours before we were due to come to Moscow that said there were not enough hotel rooms for the Philharmonic in Moscow.

It shows again that what was used as a symbolic tool was the arts.

I don't know if that is good or bad but, nevertheless, people felt it was important enough to make them say, "Listen, we don't like you, therefore, we don't want your orchestra."

But, again, it is only another way of showing how important those arts are. We are investing every dollar that is put into the National Endowment.

In relationship with the private sector is invested in something so beautiful and invested in a part of our spirit, maybe our whole spirit, that we cannot afford to bargain with it.

Basically that is all I have to say except for one thing which I promised you I was going to mention before I leave. I feel it is my duty; you are talking to a musician who happens to have a disability so, therefore, not only do I feel that the National Endowment should be supported and should have that modest raise that it is asking but that the Agency for Special Constituencies within the National Endowment should be really wholeheartedly supported and generously supported. That is the Agency that provides for an opportunity for the disabled to listen to these concerts.

Mr. YATES. Special constituencies are scheduled to have a 72 percent cut.

Mr. PERLMAN. Well, I didn't even know that. Please don't do that.

Mr. YATES. We will remember that.

Mr. PERLMAN. You are talking about millions of people who are going to be denied if the orchestras are not——

Mr. YATES. Special constituencies are special. We think that they deserve special consideration. We will remember that very, very carefully and we thank you for your testimony. It was very eloquent and very moving.

Mr. Regula, do you have questions?

Mr. REGULA. No.

Mr. YATES. Mr. Dicks?

Mr. DICKS. Thank you, Mr. Chairman.

Mr. Perlman, would you describe the effect of this year's funding cut on improving theaters so that they might be more accessible to the handicapped?

Mr. PERLMAN. Well, I don't know the effect of the cut. All I know is that accessability is not yet a household word among the people who are building new concert halls, new theaters, new museums, and this has basically got to do with 504 not being properly enforced.

Right now, as you very well know, there are quite a few people trying to dilute 504 and not make it as effective. Now, I feel that that is obviously quite wrong because as it is right now, there are not enough people to enforce it and I feel that cuts in the Endowments certainly do not help the situation.

I am not very happy with what has been going on and there is just not enough awareness and not enough knowledge in that field. I just hope that something more can be done about it.

Mr. DICKS. Thank you.

Mr. YATES. I just want to ask a question respecting chamber music, for example. There is no question that the orchestras will be hurt. The music program is proposed to be cut back by 40 percent from $16 million to $14 million in 1982 to $9 million in 1983. And when Mr. Gnam, whom I am sure you know, the Director of the Music Section and took Ezra's place, I asked a question, "What is the effect of these cuts upon the arts organization? You have talked about music. They have come to depend upon Federal help at a certain level. Now that the Federal contributions are being cut back significantly, the question then is presented: Will they be able to make it up from outside sources.

If they cannot make it up from outside sources what will happen?

> Mr. GNAM. They meet their demise.
>
> Mr. YATES. Say it again.
>
> Mr. GNAM. They will meet their demise as is the case with a lot of chamber music groups and——
>
> Mr. YATES. Demise means dead, doesn't it?
>
> Mr. GNAM. The groups, the musicians we hope will live.
>
> Mr. YATES. Yes. What happens as a result of this? For example, I had the good fortune to listen to two groups recently. One was the Cleveland Chamber Music Group and another the Toyko Quartet.
>
> Mr. GNAM. At the Corcoran?
>
> Mr. YATES. Do groups like this depend upon you?
>
> Mr. GNAM. No, we don't fund either of those and for very good reason because we support the emerging chamber music ensembles, not those that are established.
>
> So, we don't support the Lasalles, the Juilliards, the Clevelands.
>
> Mr. YATES. So, the others will just have to find other ways to survive, won't they?
>
> Mr. GNAM. Mr. Chairman, we give, on the average in the chamber music program, a grant of around $2,000 to $3,000. To a chamber music ensemble that hopes to earn a livelihood from the art of playing chamber music, one of the most revered kinds of music. Yet their livelihood is not based on the same strata as a symphony orchestra. They do not have home subscription series. So, they depend greatly on tour and residencies.
>
> Unless we can promote the residency concept, which is one Frank knows we are working on very carefully with a number of corporations in the individual artists category of Solo Recitalists and Composers, but unless we can do that with chamber music, we will see, I am afraid, much less touring to remote areas of the country, more of the safe repertory being performed and much less real creativity.

Do you agree with Mr. Gnam on this?

Mr. PERLMAN. Probably. Again, I don't know the facts and figures but I can tell you that chamber music is the explosion that we have all been mentioning in the last 10 or 15 years. The arts in general are very, very prominent in chamber music.

When you think about the new groups and the potential for new groups to grow all over the country it is absolutely marvelous.

When you think about 30 or 40 years ago, the best known chamber music group was the Budapest Chamber Quartet. Then you think about the Juilliards which are sort of the American fathers of the entire movement, then you have the Clevelands and Tokyos, the American String Quartet, and you have so many wonderful, wonderful groups. There is an audience, but they need support to get started, because there is definitely an audience there. Sometimes I wonder when people say what we do is for the elite, I just really want to laugh because I just played a concert last summer at the Hollywood Bowl, a sonata recital.

Now, what can be more elite? I played the Beethoven Spring Sonata which was recorded, by the way. And I played a Strauss sonata, it was a very tough program.

Do you know that at the Hollywood Bowl there were 15,000 people attending that concert, an open door concert for a violin and piano recital.

Mr. YATES. All elite?

Mr. PERLMAN. All elite, right. This for me does not sound like elite. I did not play a recital of Fritz Kreisler. I am not putting him down. It was not a recital of light music.

Mr. YATES. You played that the night I heard you.

Mr. PERLMAN. See, for the elite I play something easy. But this is not an indication that we are dealing here with something for the very, very few. When you think about the New York Philharmonic playing for 250,000 people at Central Park, this is not something that is just for a very few people.

PBS stations have done a lot to bring the music to the people. Chamber music is the same way. The enthusiasm that goes on for chamber music and believe me, people will not form chamber music groups if they wouldn't feel that they can do something, that they could have a career, that they could have concerts, that there is an audience around the country.

Mr. YATES. Isn't this now a mark of American music? It used to be a European category.

Mr. PERLMAN. Absolutely.

Mr. YATES. Now you have this kind of renaissance going on in America.

Mr. PERLMAN. As I said, what we have accomplished in just 200 years, we have our own tradition and this is absolutely something that I think is unheard of. It is wonderful and it has to continue.

Mr. YATES. Marvelous. Thank you very much.

Mr. Regula.

Mr. REGULA. Did they sell tickets at this Hollywood Bowl?

Mr. PERLMAN. Oh, you said it. The one that I mentioned, the New York Philharmonic, that is usually free.

Mr. REGULA. Well, then, would not the ticket sales support the activity?

Mr. PERLMAN. No.

Mr. **Perlman**. Box office doesn't do it anywhere. Everything is sort of one hand covers the other. You may have a concert that makes a profit that has to cover something else.

Mr. **Regula**. So you are really saying the people that weren't there should support it? The money comes from the neighbors that didn't get there.

Mr. **Yates**. In a sense.

Mr. **Regula**. That is the bottom line.

Mr. **Yates**. What he is saying is that music cannot be supported only from the box office. You are right in saying that if it is to be supported, and can't be supported only from the box office, it has to be supported from outside sources.

Mr. **Regula**. Yes.

Mr. **Yates**. The question that we have to face is whether there are enough private outside sources to fund this kind of activity. That is what the great argument is about, as to whether or not we want to keep the arts on the same high level that we hope to keep them—

Mr. **Regula**. I think we have to go beyond that, Mr. Chairman. We have to ask: Is the value so great that we ask the rest of the people down the street who did not go to the concert to pay for those on the street that did.

Mr. **Yates**. This is right.

Mr. **Perlman**. Those people eventually will go to the concert.

Mr. **Regula**. That is what I am saying.

Mr. **Perlman**. The more audience growth we have, the best complement that I can ever receive is when somebody comes to me after the concert and says: "I have never been to a concert before and I enjoyed it."

That is because of the whole atmosphere in this country. There are vibrations in the air, people see it on television, on the public stations, and that is what brings more people and a different audience.

I can sense the difference in the audience when I play my concerts in the present day to let's say 10 or 15 years ago. Ten or 15 years ago you had an audience that would come to the concert and would come to listen to a particular work or the way you do something on the violin but today an audience comes more for the experience because they have seen it, because they want to learn, because they have been so exposed to it and this should not be discouraged.

Mr. **Regula**. Did you see the National Symphony on the July 4th concert?

Mr. **Perlman**. No, I didn't see that.

Mr. **Regula**. It seems to me that this is the way you reach out to the rest of the people down the street. That ought to be the main objective of the NEA; to expose this to 240 million people in some way or another and then if they elect at that point to pay to enjoy more, that is their choice.

Mr. **Yates**. The problem is that they are going to have to raise $250,000 to put that concert on.

Mr. **Regula**. But for the size of the audience that to me is a tremendous way to reach out.

Mr. **Yates**. The question is where that money comes from.

Mr. **Regula**. I understand we have some differences on that.

Mr. **Dicks**. And you have to have something to expose them to.

Mr. **Perlman**. It throws out the argument saying that we are talking about something that is for the elite.

I think that throws it out the window.

Mr. **Regula**. I understand. I was watching this concert and it was fascinating to me. They panned the audience and it sticks in my mind one young man that had on a T-shirt and he had his little girl up on his shoulders.

Mr. **Yates**. It is good that he was there.

Mr. **Regula**. That is right. And that is the kind of audience that should be reached so that he may elect to go down and get a ticket the next time.

Mr. **Yates**. The question is whether or not the person down the street should support, with his money, this kind of music activity and other artistic activity, even though he may not attend the performance. The point I think that Mr. Perlman makes is if he doesn't support it, perhaps 10 years from now there won't be a Mr. Perlman. The others may not be playing.

According to Mr. Gnam, the chamber orchestras won't be there, for one thing, except the preeminent chamber orchestras that will be charging tremendously high prices if the trend continues. The Metropolitan Opera is a test, for example, we will be paying $50, $60 or $75 a ticket to get in to hear them. That is the trend at the present time.

The question is whether or not music, drama, theatre, opera, and the other arts which I know you believe make this country great, should be continued on such a high level.

Mr. **Regula**. Well, this goes back to my initial question and that is is it a matter of national policy?

Mr. **Yates**. Right. That is exactly right. We decided in 1965, that as a matter of policy, we will have a National Endowment for the Arts.

Mr. **Regula**. And we are continuing a review of that.

Mr. **Yates**. That is right. That is the problem that we have here. We are bargaining again as to whether or not the humanities and the arts are a necessary function of Government.

Mr. Stockman says "No."

Mr. **Regula**. Well, when I go out to my town meetings the issue usually doesn't come up because a lot of other people have a lot of other priorities in allocation of resources.

Mr. **Yates**. This is right. There are other allocations. And that is why I read from Mr. Doctorow's statement which said a poet may not get an endowment when somebody is starving or somebody is not receiving an education, and of course, the poets should join with the others.

If there isn't any money for people to eat or to survive, then the poet shouldn't receive any money.

But the question is whether we should provide money for people who can't afford it or do the arts come along with that.

Mr. **Perlman**. May I make one small point?

Mr. **Yates**. Of course you may.

Mr. **Perlman**. I would just like to tell you that during the 1973 war in Israel, there were a lot of blackouts in Tel Aviv and it was a period, obviously, of great worry in Israel. Do you know that the hotel was filled every night. People just went in the dark to go and listen to concerts. It was sort of like a salvation. When they were worried about their lives they wanted to listen to a concert.

I know that this has not been experienced here in the States, thank God, but I bring it up because it is something to show how people react to the arts when they are under pressure.

Mr. **Yates**. That is kind of interesting. Here is another story of the importance of the arts.

Henry Van Loon is an author of the past. Mr. Perlman probably wouldn't remember. Perhaps those of my generation would remember Henry Van Loon writing about the arts.

At the beginning of his book he said, "I wondered how to begin this book." He said, "I was in a train going through Holland on a dark, windy, muddy, muggy day, a cold day, and the train stopped at a place." And he said, "There were two children there. Both of them had red stocking caps on to protect them from the wind and red mufflers, and one of them was carrying a little violin, the other one was carrying a little artist's case." and he said, "Here, in the little remote place in Holland, the arts were still there."

People were still being moved by the arts just as they were in Isarel at the time of your concerts.

Mr. **Perlman**. That is right.

Mr. **Yates**. That happened during World War II in England, too, in the subways. This was a phenomenon there.

Thank you very much. You have been wonderful.

Ms. Stevens?

Ms. **Stevens**. You know I am listening to all this today.

Mr. **Yates**. That is only fair. We have been listening to you for years.

Ms. **Stevens**. That is very nice to hear.

In my reminiscing, I am thinking about the time in 1965 when Roger Stevens and Mr. Pell and many others asked me to come and be a witness for the National Endowment, something they wanted to start called the National Endowment, and so I did.

And I spoke on it. The arguments were incredible and I am hearing some of it today, a little bit, and it rather disturbs me. I will tell you why it disturbs me, because here I am a singer and I date back to a time when there was not that kind of opportunity.

To be an American and to be a singer was a great risk. There were few of us at that time. We looked to Europe for our artists. Then something happened, luckily for me there was a teacher, a very famous woman who gave money to me, through her bank, to go to Europe, with interest to pay back, which I did.

I made a career, but how many singers don't? We did not have, in those days, any kind of way of presenting or giving that real thrust to a career that a career needs. Where a singer has to have the next step. He or she has to develop their craft. It is like everything else. But this goes for all parts of the arts.

Mr. Perlman told you one element of it. It goes for the acting; it goes for the instrumental; it goes for the singers. It is in every form.

But then came the National Endowment. The National Endowment suddenly opened up doors, slowly, because the monies were not very much, but it did, somehow, start a new area, a new growth of artists within the United States who perhaps, at that time, would have become, God only knows what. They would not have pursued a career.

And then suddenly we went to places in the Middle West, out West, South, North, places that were opening up to the arts. People were asking artists to come there, to sing for them.

My God, I remember going to places where I pioneered. They didn't even have sidewalks on the streets but, boy, they came to the concert.

Now, why did they come to the concert? Because something very important was missing in their lives. These places grew like wildfire all through the United States so that when the National Endowment came into existence they were really ready for it.

They were ready to say, please give us whatever in terms of music, dance.

Look what happened in these past few years, 20 or 25 years.

Mr. **Yates**. Seventeen years, since 1965.

Ms. **Stevens**. I am not even going to talk about 200 years, we are only 200 years old, but that really has nothing to do with it.

What it has to do with is the fact that the National Endowment has stimulated something in these United States in terms of music and the arts, all the arts, that has been very, very important to the American people, not just the elite, to all American people.

I have to indicate to you that I am very much involved with young people now, more so than I have been in the past because I am now Executive Director of the Metropolitan Opera National Council Auditions and we audition singers—well, about 2,000 singers, let's say—all over the United States and you can't imagine the influx of talent that you are beginning to hit. Maybe some of them are not quite ready and they are very young, but it has taken these 17 years for this to set in with this help from the Endowment to make this happen, because families,—and mind you, you must realize that people in the arts are not rich people. They start out with families that are either very poor or middle class.

The majority of your artists that really make big careers come from this area and this element. That was their family.

So what does this mean? It means that the support for this kind of person must be there. It has to be there.

And I am not just speaking for singers. Of course, I am interested in singers. It is my life, but it is terribly important.

If you now pull that rug from under this you are going to see a deluge because these people will not be able to pursue their art. Why didn't they pursue it earlier? Only because they were not encouraged and money is terribly important to do this. Because you have to go from one step to the other in a career and everything costs money. These monies have to be there for this. This is the help that is needed. It is terribly needed.

So we are not even talking about audiences. Look what's happened. Look what happened in opera. I never thought I would experience this, ever, ever.

There are opera companies—if I didn't get into the Metropolitan Opera, I wasn't singing anywhere because you were engaged in San Francisco or Chicago because you sang at the Metropolitan Opera.

Or if you were at the Metropolitan Opera, one thing followed another, but you had to be at the Metropolitan Opera.

So where did I have to go? I had to go to Europe. I had to go to Europe to learn my craft.

When I was ready, at that point, the general manager of the Metropolitan Opera and the chief of the opera came abroad to hear me in Prague, Czechoslovakia, and it was there that I was given my contract.

But I had to do all this in Europe. I don't say I am sorry that I had to do it in Europe because this was my life. It, to me, didn't matter where it was, I had to learn my craft.

But these singers and musicians have to have that support to go ahead with this, otherwise you are saying to them, we don't give a darn.

We don't have moneys for that. You don't have that, it is their soul, their life, it is their whole being that is involved in this.

Believe me, there are lots of sacrifices; lots of sacrifice, not all make it to the top, but they do somehow develop an atmosphere that is so important, those that don't make it to the top, because it is those that put the others to the top.

That is the importance of support.

I am going to talk about something else that we have. I am advisor to the Young Artist Development program, which is something that is only 2 years old in the Metropolitan Opera.

In this program, we have, mind you, Mr. Levine and Ms. Inken and the music staff pick these people usually, but through the National Council Auditions.

We now have 5 out of 12, that is quite an average, being chosen because it is a very special kind of program.

It is really a program where the Met now says that we are going to develop your talents. We are going to give you the kind of coaching you need, we are going to give you your languages that you need in your performing, we are going to give you acting lessons, presentation of situations where you know how to walk on and walk off a stage, in other words, it is an all-around policy issue that these people get.

We are looking for the exceptional singers, but my God, what a situation here. This is fantastic that they suddenly are able to go ahead and give this kind of program within the Metropolitan Opera.

Mr. Perlman was talking about performing for the people who don't necessarily or probably never could afford to go to the opera, let's say.

We have our park operation. He was talking about 250,000 people, that is exactly what they get. I don't even think they know it is 250,000 because it is so vast. It is like an ocean of people when you look out there.

They don't pay. It is true. But this is the first time, maybe, that any of these people have been able to experience a Metropolitan Opera production and really hear it and see it.

And to me, this is important. This goes on all over the United States. It is happening in San Antonio, happening in Dallas, happening in Houston, Chicago, everywhere that you can talk about, this is what's happening.

I am going to tell you and I said it before, if the Endowment pulls back the way they are talking about, all the arts will suffer and it is going to be like dominos because it is not just going to be one, but each one is going to fall by the wayside, and there is where we will suffer, because what do we do with these talents? Where do they go?

Will we have to revert back to the dark ages, as I call them? We have come a long way.

We can't afford to allow this to happen again. Pulling back those kinds of moneys, I think, is a very, very dangerous thing. Very dangerous for the arts.

I really haven't got that much more to say except that I do want to say, isn't it incredible really, when you think about it, that we started out with, what, 70 opera companies and we now have 100-some in these United States.

I mean, isn't this unheard of. It is unheard of. I never dreamed that this would ever happen. Really it is a dream come true because in every one of those opera houses, there are American opera singers singing.

Opera not only enhances singers, you have an orchestra to contend with, you have chorus, you have ballet, you have stage hands, you have everything within the structure of the performing arts. More so, I think, perhaps than any art form of its kind.

And I again say, Mr. Yates, I think it is very important that this dare not happen.

[The statement of Opera America follows:]

TESTIMONY SUBMITTED

By

OPERA America

Mr. Chairman and Members of the Committee, this testimony is being submitted on behalf of the 77 non-profit professional opera companies throughout the United States who are members of OPERA America, the national service organization for professional opera.

The professional opera companies are in unanimous agreement that the proposed 30% cut in NEA funding will have a significant negative impact on the present level of opera production and a devastating effect on its future growth. We urge the Committee and Congress to support an ~~FY~~ fiscal year 1983 appropriation of $163.7 million for the National Endowment for the Arts.

This testimony will briefly trace the history of opera in this country and will examine the economics of the art form, the recent accomplishments of our opera companies and their implications for our society, and the effects of the proposed cut backs on the opera field.

Although the first work that could technically be called an opera was not created until 1597, the practice of pairing music with drama is universal throughout the history of all cultures. If drama can be said to explore the ultimate problems of human existence, if music is the expression of man's deepest self, and if dance is a celebration of form, movement and the human body, then opera may be said to embody all of these qualities, for opera is the melding of all of these forms into one magnificent whole. A superlative production of a great operatic work can be the most powerful and exhalting experience in the performing arts world.

There has been a strong desire for opera on the part of the American people since the founding of the Republic. The earliest substantiated date of an opera performance in America was in 1735 in Charleston, South Carolina. The first truly American work that could be called an opera was written in 1781 by Francis Hopkinson, who was also a signer of The Declaration of Independence. The city of New Orleans was the scene of numerous performances from 1791 on, including American premieres during the early 1800's of works by Rossini and Donizetti. It was not long after the War of 1812 that foreign troupes began to cross the Atlantic and tour the country's major cities. The first regular season in New York came in 1825. The Metropolitan Opera was founded in 1883, while the first major company in Chicago opened its doors in 1910. Opera was also a part of life on the American frontier, with touring companies presenting performances in remote Western outposts in the early part of this century.

The growth of opera in this country during the early 20th Century was a slow and steady process. In 1965 there were only 27 professional opera companies giving under 500 total performances. Between 1965 and 1980, however, there was an unprecedented dramatic growth. By 1980 there were over 100 professional companies in 42 states producing over 3,000 performances. Audiences now number more than 10 million. It is no coincidence that this great flourishing of opera has been concurrent with the development and growth of the National Endowment for the Arts.

The growth in opera has certainly not been confined to sheer numbers alone. Concomitant with the Federal support and the resultant climate of stability has been the attainment of excellence by companies both large and small. The flowering of new companies and the expansion of audiences have contributed to a broadening of the repertoire to include the production of numerous world premieres of new American operas (there will be four world premieres this summer alone), a wider spectrum of traditional grand opera, more musicals and operettas, and new experimental forms of music theatre. Increasingly, operatic output is becoming a true reflection of our time, our culture and our concerns; it is an art form that is continually evolving. This evolution is made possible through fiscal stability within the companies and a freedom of expression afforded by greater opportunity for performance.

With the number of productions and performances being professionally produced and the growth in training programs, it is now possible for a young American singer to make a living and a career in this country. Fifteen years ago, young singers had virtually no choice but to go to Europe to find work and financial stability. However, the United States still has far to go in developing performance opportunities for the thousands of talented artists it produces each year.

Opera in the United States has become a truly popular form of cultural experience, now reaching a diversity of audiences, and no longer considered the exclusive province of the wealthy or the elite. Many companies have purposely kept ticket prices affordable. Some major companies have a substantial number of tickets for certain performances priced as low as $5 (the same price as a first-run movie). The Metropolitan Opera this past year has had more than 700 seats available for every weekday performance at a cost of $10 or less.

Several moderately-sized cities have developed a large opera audience. In Seattle, for example, productions typically sell out to 18,000 people, more than the attendance at most baseball, football, or basketball games.

There are several reasons for this expansion of the audience including increased numbers of performances of opera in English; the use of marketing techniques that have appealed to audiences of diverse socio-economic backgrounds; the profound effect of live broadcasts on both radio and television, bringing the art form to millions of potential new ticket buyers; and the development of education programs that have helped prepare new audiences for the experience of opera.

Recognizing the recent findings of educational researchers, which prove that the arts can enrich and accelerate learning and development throughout childhood and beyond, opera companies have become some of the most vocal advocates on the local and state levels for the establishment of the arts as a part of basic education in the schools. In addition, many companies are developing special programs with their local schools which utilize the multi-disciplinary nature of opera to achieve learning in several academic disciplines, including language, mathematics and history, as well as in arts disciplines such as music and design.

Opera companies have also taken the lead in providing access to performances for disabled populations: those bound to wheel chairs; the hearing impaired, with programs such as signed interpretations of live performances; and the blind, with taped cassettes of opera librettos and background information. A national program for sharing these materials among all companies has also been established by OPERA America with the assistance of the NEA.

We have developed our audiences, we have brought their awareness and understanding of the art form up to a level where they are adventurously hungry for new works and for provocative new productions of old favorites, and to the point where opera stars have fans numbering in the millions, receiving the kind of acclamation and idolatry that used to be accorded only film stars and sports heroes.

Opera has been generating a great deal of media attention and excitement in recent years. For example, an amazing 38% of the articles appearing in the music section of Time magazine in the past year dealt with the subject of opera. According to the magazine's music critic, the world of opera was where exciting things were happening, all over the country, including world premieres, new productions and important debuts of major artists in new roles.

Opera is the most complex art form to produce, consisting of solo voices, chorus, orchestra, dance, drama, scenery, costumes and, often, a cast of hundreds. Extensive rehearsals and numerous designers, craftsmen, stagehands, technicians, and coordinators are required to create a smoothly flowing exciting production with artistic integrity. Direct production costs represent 74.8% of an opera company's budget. The expenditures of the opera companies can also be divided into:

Personnel Expenses	69.4%
Non-personnel Expenses	30.6%.

These percentages only reinforce the fact that opera is a very labor intensive art form; for example, the Metropolitan Opera presently has 24 different labor agreements. In fact, opera's personnel needs far exceed the personnel requirements of the other performing arts disciplines.

Producing opera is much like walking a tight rope: the challenge is to achieve a good balance between musical values, theatrical values, and production values, while still remaining within budget. Strictly from a musical standpoint, opera is an extremely virtuoso art form, requiring outstanding talent, years of training, and extraordinary discipline. Training does not end with a college education—artists must spend years gathering stage experience, learning and coaching roles and slowly building up to a major career. Once they have a career going, they must continue with vocal coaching throughout their professional life.

What all of this means is that opera is remarkably expensive to produce, and we would not have the quality and the diversity of operatic performances that we have today, were it not for the impact of Federal monetary support. Moreover, Federal programs have contributed to a cross-fertilization of the field—communications networks now exist on a nationwide basis between producers, companies, composers, designers, and private funding sources, which have led to the improvement of our product and expanded our imaginations as to the variety and potential of the opera/musical theatre form.

In economic terms, the opera field is now a substantial industry. The total budgets of the professional opera companies in the United States exceed $125,000,000, which represents a 100% growth in the past five years. Numerous economic studies have revealed that the arts have been a key component in maintaining and revitalizing urban areas as social and commercial centers (i.e. Lincoln Center in New York City, Winston-Salem, NC). Opera is one of the most powerful magnets in drawing both suburban and tourist visitors to the central city as well as in serving as an anchor for the relocation of businesses and individuals. A significant recent development is the establishment of major summer opera festivals by companies as an expansion of their regular season performances. These festivals, in such cities as San Diego, San Francisco, and Seattle, draw cultural tourists by the thousands. They spend substantial amounts of money, with the result that the festivals are a multi-million dollar boon to the local economy.

From in-depth fiscal surveys of the professional opera companies, OPERA America has assembled the following statistics concerning their income and expenditures. On the average, income for the professional opera companies is divided into:

Earned Income (ticket sales, etc.)		54.7%
Government Funding		9.1%
Federal	3.8%	
State	3.3%	
Local	2.0%	
Private Contributions		36.2%
Individuals	17.4%	
Foundations	5.4%	
Corporations	4.4%	
Other Sources (Guilds, United Funds, etc.)	9.0%	

Over the period of 1976-1980, private contributions as a percentage of total income have increased by 10%, while Federal support has decreased by 31%. For every Federal dollar received, the opera companies match their grant with over $9 of private donations.

In recent years opera companies have attained a high level of management professionalism. Partly because of their growing budgets and the demands of government agencies, private donors and boards of trustees, opera companies have developed stable, highly skilled, and responsible administrative staffs. Most companies have sophisticated budget and management procedures; many have entered the computer age in ticketing, fund raising and accounting. They also engage in sophisticated marketing, public relations and development campaigns.

Opera seasons, perhaps more than those of the other performing arts, are planned far in advance. This is essential in order to contract singers and other artists who are in high demand around the world; in order to build major new productions; and in order to arrange production exchanges with other producing companies. Reaganomics, including annual threats to the NEA budget, and the budget, and the present unpredictable nature of the economy have made long-range planning virtually impossible. This continual uncertainty threatens to undermine the fiscal stability of our institutions and is in direct opposition to sound management principles.

The future of opera in the United States will be very much affected by inflation, cut-backs in government support, potential cut-backs in private support, limits on ticket prices (we must not price our audience out of the market), and rising costs of labor, travel and production. In a field where a reduction in artistic personnel (i.e. singers, musicians) can drastically affect the artistic quality and integrity of a production, opera companies will have to consider reductions in other areas such as education and training programs, the number of productions, the quality of sets and costumes, the quality of artists, the number of performances, time devoted to rehearsal, and touring, in order to balance their budgets. These constrictions will reverse the momentum and weaken the base that has taken many years and the investment of vast human and economic resources to develop.

A survey of the membership of OPERA America in early 1981 overwhelmingly indicated that they perceived their greatest immediate problem to be fundraising. We can only assume that this problem has been magnified several-fold during the past year.

The Administration, in support of its policy of arts cut-backs, has expressed several optimistic assumptions regarding corporate giving, foundation giving and the effects of tax legislation on contributions from individuals. Corporations and foundations will not meet the shortfall, a point which has been stated innumerable times by their executives during the past year. Various economic studies indicate that the Administration is mistaken on these matters. The recent Independent Sector study, Analysis of the Economic Recovery Program's

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Direct Significance for the Philanthropic and Voluntary Organization and the People They Serve, concludes that we must "be careful not to place too large an expectation on what a difference business corporations can make", and calls the Administration's confidence in business's ability to come to our rescue "an unrealistic assumption". The report further states that "Foundation giving has been relatively flat...we should not look to Foundations for major growth in the immediate future."

Beyond this, the increased pressures on corporations and foundations from other sectors (health, welfare, education, etc.) that have been affected by the President's economic programs have caused many of these funding sources to review their giving priorities. Opera companies are now finding that it is nearly impossible to get new money from corporations and foundations and that corporate and foundation sources are not increasing and in some instances, are decreasing traditionally annual gifts.

The Administration has also vastly underestimated the impact of past NEA funding on the organizations it supports. While the dollar amounts from the NEA are not a major percentage of a company's total income, the amount of money is very significant as an incentive and an assurance to the opera companies' Boards of Directors in their fundraising. The Federal presence has strengthened their pride in and their commitment to their opera company. Private funding sources have indicated that an increasing level of federal support and the perceived judgement of approval by the peer panel review process demonstrates the artistic and managerial credibility of the individual institutions.

With a reduction in the federal support system, there will be widespread reductions in state and local governmental giving. The "snowball" effect will be devastating to the opera companies. Studies from the state arts councils concur with this premise and indicate that this is now beginning to occur. Of profound effect are the wide variations in the health of the local economies across the country at this time. Cities in the midst of severe recession, with unemployment anywhere from 15% to 30%, are bound to experience drops in subscription ticket sales and contributions. A steady source of Federal support is essential to counterbalance the negative effect of varying local economic factors.

The National Endowment for the Arts has helped to develop an environment in which our artists may do their best, and in which ever larger audiences have come to respect and expect quality. It is amazing to look back on the past two decades and realize how far the opera field has come on so few resources. Furthermore, as we have seen in this testimony, opera companies have become vital community and regional resources, exerting their influence in the areas of education, arts advocacy, economic development, management and the democratization of the arts. Unfortunately, if there are any cut-backs, most companies will continue to survive only on the basis of "making ends meet". Such survival postures in the arts have traditionally caused companies to retrench, to raise prices, to take the focus away from artistic creativity and concentrate exclusively on the bottom line. As a consequence, we can project an attrition of their audience and a narrowing of their appeal toward those individuals who aren't greatly affected by economic factors.

Such will be true in opera. Companies will be forced to perform only the "tried and true" staples of the repertoire in order to assure the highest box-office revenues. They will abandon the pursuit of the bold conception and the innovative artistic approach. There will be artistic compromises in all aspects of production and cutbacks in numbers of performances and production. There will be reductions or eliminations in education programs, professional training and touring, the very areas that have just recently been developed and which ensure the future health of the art form. Thousands of additional man hours and human resources will be expended in fund raising to make up the gap, misplaced man-hours that could have been directed toward the artistic side of the enterprise.

The poverty of spirit that will descend on all of us will only serve to weaken the fiber of our nation. The small Federal investment we request for the arts today will enable us to ensure the spark of creativity and optimism that have always exemplified the spirit of our American endeavor.

Mr. **Yates**. Thank you very much.

That was a beautiful, eloquent statement.

I have to go vote and I will come back. Would you forgive me?

Ms. **Dewhurst**. I sure will.

[Recess.]

Mr. **Yates**. Your statement was very persuasive. I think it is unfortunate that we have to go through the period of deciding whether we want to provide, on a national basis, support for the arts.

I thought we had passed that in 1965 when we created the Endowment.

Ms. **Stevens**. So did I.

Mr. **Yates**. Starting last year when the Administration proposed cutting it back by 40 percent, even greater later with additional cuts in September, but fortunately the Congress sustained the Endowment and I hope that we can do it again this year.

I think that——

Ms. **Stevens**. I hope there is real hope for that.

Mr. **Yates**. I think there is real hope for it. There is, because of the support from you. We appreciate it very much.

Ms. Dewhurst—center stage.

Ms. **Dewhurst**. I don't know why, but it doesn't feel comfortable. I don't want you to think you are talking to a tense person.

Mr. **Yates**. Opponents have thought of me as an ogre, but I wouldn't think you would.

Ms. **Dewhurst**. No, I think it is the titles always that disturb. First, I would like to put this into the record for the American Arts Alliance.

Mr. **Yates**. It may go into the record.

[The American Arts Alliance statement follows:]

Testimony Submitted

By The

American Arts Alliance

Mr. Chairman and Members of the Committee, this testimony is submitted on behalf of the 350 nonprofit professional performing and exhibiting arts institutions that belong to the American Arts Alliance, and the thousands of talented people involved with these institutions in the fields of dance, theatre, opera, symphony orchestras and art museums.

We urge the Committee to support FY '83 appropriation levels of $163.7 million for the National Endowment for the Arts, $149 million for the National Endowment for the Humanities, and the restoration of funding to the Institute of Museum Services at a level of $14 million.

These figures correspond to the 14 percent increase the Administration requested for these programs this year. In the Arts Endowment's case, for example, the Administration requested a FY '82 level of $88 million which they have now raised by 14 percent to $100.87 million in FY '83. We have taken this 14 percent increase, however, and applied it to the more realistic current appropriation levels rather than to the original FY '82 budget requests.

In considering our request, one should note that for the Arts Endowment to achieve the purchasing power of two years ago, when it received FY '81 funding of $158 million, an appropriation of $185.6 million (estimate) would be needed today.

The Administration is now proposing, for the second year in a row, overall funding levels that are shockingly low: $100.87 million for the Arts Endowment, $96 million for the Humanities Endowment and only enough money to administer the dismantling of the Institute of Museum Services.

There is no question that such low funding levels would spin-off into a broad range of additional losses: fewer and smaller federal matching grants and thereby reduced stimulus to the private sector and a probable reduction in private giving; fewer jobs as some companies would have to shorten seasons, cut back on touring and mount smaller and more simple productions, or in some cases, even close completely; less accessibility for the average American as ticket prices would go up and free performances in the park or special performances for senior citizens, students, etc. would be heavily curtailed; less of that magic ingredient and economic stimulus that arts institutions add to urban districts that are coming back to life; all in all, fewer working artists and much less art at a time when polls consistently indicate that Americans desire more cultural facilities and more artistic events.

The Administration appears, in its latest budget request for the arts, to have completely ignored the outcry of the public last year and the actions taken by Congress to respond to the outcry. Congress set funding levels for FY '82 at $143.04 for NEA, $130.6 for NEH and $10.87 for IMS. But the Administration's new proposals remain far below these current funding levels--a puzzling move on their part since they have prided themselves on responding to the mandate of the people.

Congress did respond to the people and made a special effort last year to treat the arts fairly. We are asking for the same fair treatment again. The $164 million for the Arts Endowment and the figures we have requested for the Humanities Endowment and IMS certainly fall short of our ideal. Funding at these levels, however, would help the Endowments and IMS to hold a fair portion of their ground, a realistic position in these harsh economic times.

Granted, in harsh economic times it is much harder to set priorities, and we sympathize with the large number of agonizing choices Congressional

Members have had to make this past year. We do, however, believe there is substantial justification for maintaining the arts as a national priority, first, because there is a special role for the federal dollar, second, because corporations cannot pick up the slack, and finally, because a major loss of federal funds will hurt both large and small institutions and begin to destroy the cultural roots of this nation.

The Federal dollar serves a unique role that no other funding source for the arts can. Most obviously, it serves as a signal of a collective national commitment to preserve, promote and expand American culture. That signal is looked to by other levels of government, by foundations, corporations and private donors, and by other nations as well. It says we care about our national identity. That symbolism is as important to individual Americans and their belief in themselves and in the special qualities of our country as it is to our international friends and foes.

No one can prove with 100 percent assurance that the budding of the arts world here in the United States during the past sixteen years is a direct result of the creation of the National Endowment for the Arts. We suppose some people could claim it is just coincidence that this growth began at the same time the Endowment did in 1965, and they could ignore the fact that this growth never happened before in almost 200 years of American history. But we believe along with many others who have witnessed this phenomenon that the record builds a very strong case for the Endowment's cause and effect.

There is no question that the arts Endowment has stimulated other government jurisdictions to play an active role in arts support. When NEA first began, back in 1965, there were only a dozen state arts agencies in the country, with a combined budget of $2.6 million. By law, NEA is required to allocate 20 percent of its program funds to the states. Every state in the union now has a state arts agency. They not only administer their portion of federal dollars, but also have garnered, in 1981 for example, a total of $110 million for the arts from their own state legislatures. A similar pattern followed at the local level--only a handful of community arts agencies existed when NEA began and now more than 2,000 of them are scattered nationwide.

President Reagan has emphasized many times that we must find ways to stimulate private support to help meet public needs. The Arts Endowment's record on that score is clear. With a minimum federal investment, disbursed mostly in the form of grants requiring a match of at least one to one, it has stimulated enormous participation in its programs, often generating seven times the initial federal investment. In fact, there are probably few federal agencies which could serve as a better model for the way President Reagan would like to see federal dollars used.

Corporate support for the arts and culture has risen dramatically, from a 1967 total of $22 million to a total of $436 million in 1979. If measured in 1970 constant dollars for the period from 1970 to 1979, corporate support has risen a hefty 242 percent.

Cultural support from private individual donors increased almost as dramatically as corporate support, following the formation of the Endowments: $2.7 billion in 1979, compared to only $205 million in 1965. In the decade before NEA was established, the growth in individual giving was almost stagnant. It had increased less than three percent in a 10-year period, from an estimated $199 million in 1955 to $205 million in 1964.

The federal arts dollar also serves certain national programming needs that we doubt would be met without its presence and initiative. The Arts Endowment's dance touring program is a prime example. Back in 1965, dance was centered around New York, where 80 percent of its audience of 1 million resided. In order to help dance break out of this geographic stranglehold, the Endowment designed a touring program, which helped sponsors in various towns cover the very high cost of bringing established dance companies to their regions to perform. Dance suddenly began to touch the innermost core and the outermost reaches of our country. The audience grew to 16 million, nationwide, by 1980. And the number of dance companies grew from 30 to about 400. We witnessed the true flowering of one of art's great disciplines. It is doubtful this broad exposure to dance and sudden enthusiasm for it would have occurred without the Endowment serving as the central coordinator and significant financial supporter to help those few dance companies that existed at the start to venture across so many state lines.

In conjunction with touring, the Arts Endowment fosters another kind of national programming--on our T.V. screens. Programs like DANCE IN AMERICA certainly deserve a large share of the credit for helping the arts reach a broader American audience than ever before. And the impact here is not limited to dance. Programs like LIVE FROM LINCOLN CENTER have brought symphonies and operas into the living rooms of millions, and thus helped to spark the interest of many who now flock to symphony halls and opera houses--or to the lawns of Wolf Trap to hear "Carmen," as 6,000 Washingtonians did one sweltering evening last summer. It was a sight to behold.

Both the visual arts and theatre fields have benefited as well from programs operated on a nationwide scale. Humidity and climate control, for example, has been a constant plague for museums. Many collections were disintegrating as a result of poor environmental controls. The Endowment recognized this threat to our national treasures and initiated a national level program for Collection Maintenance, designed to help museums meet the enormous costs of making the necessary corrections. Despite its clear importance, this is a difficult item to raise private money for without the catalyst of federal grants. There is still a great need for work to be done in this area, especially among medium and small museums.

The Endowment has always been interested in developing opportunities for emerging visual artists, or "artists on the threshold," and yearly distributes fellowships to deserving applicants. Last year it initiated a national competition, jointly sponsored by the Rockefeller Foundation and Equitable Life Assurance, to nominate 10 artists (one from each of 10 regions as determined by artist population) to receive a unique kind of fellowship. Not only do the artists receive a cash payment, but their work is also shown in Washington, published and distributed in a catalog, as well as toured and exhibited in other museums. The museums in turn receive a small payment of $5,000 for purchase of any of the works they show. Through the touring exhibition, publication and purchasing services, which extend these fellowships far beyond customary scope, this collective effort between the Endowment and private sponsors offers promising young artists a unique opportunity to obtain high national visibility.

Regional theatre was already beginning to blossom around the country when the Arts Endowment was formed, but Endowment support helped it establish strong roots wherever it sprouted. Additional Endowment efforts to encourage new works from playwrights not only gave writers more welcome opportunities to develop their skills, but also helped provide theatres with rich new sources of material on which to base productions. Interestingly, some of the finest productions now coming out of commercial theatre were first born and nurtured in the nonprofit theatre world. Excellent examples are CHILDREN OF A LESSER GOD, THE SHADOW BOX, FIFTH OF JULY, A CHORUS LINE. There are many others.

The Endowment has recently launched a new effort to enrich and invigorate regional theatre. The program is called Artistic Associates and it assists theatres in bringing non-on-stage artists (like set designers, composers, etc.) into their operations for a season instead of on a rushed free-lance basis for one show as is so often the case. Both theatre and artist benefit from this broadened and intensive work experience. The program gives recognition to an oft over-looked fact--it takes more than a playwright, a play and actors to make a theatre.

Another unique benefit of the federal arts dollar centers around one of the Arts Endowment's most widely respected features, its peer panel system. Grant decisions aren't made by Washington bureaucrats but by professional artists selected to serve by co-workers in their discipline. Unlike many other agencies, NEA is thus operated from the bottom up--or as one friend put it, it "percolates" up.

But this panel system does more than help ensure fair decisions, a high standard of excellence, etc. Just as important, it brings a wide range of artists together (both within disciplines and across disciplines) to share problems and generate ideas. Without the Endowment, this environment, this frequent mixing together of creative minds would probably not occur. What it does to stimulate new activities and new directions in the arts world is indeed significant. We should also not underestimate the inspiration an artist can receive upon gaining the artistic support of a panel of peers to try a new approach, to create a work that is "new" in the full sense of the word.

That brings us to one of the most important roles of the Federal arts dollar: helping to provide the economic security for artists and producers to take artistic risks, to create "new" art without fear of financial collapse. People often ask how vital Arts Endowment funding is if it only provides an average of 5 to 7 percent of an institution's budget. However, that federal investment leverages local and private giving by as much as seven times that amount, and it can therefore generate one quarter to one third of an institution's budget. This provides a base of support on which a company can plan its growth.

Some federal arts dollars provide behind-the-scenes support for general maintenance and operations--an unglamorous area to which it is usually difficult to attract the private dollar. But much of the federal dollar goes toward programming and gives companies the opportunity to try new playwrights, new artists, new works. Some grants are actually made directly to individual artists.

Our promising young artists need the chance to concentrate on their craft, to earn a decent living working at it, to explore and develop it, rather than trying to squeeze in a little art between selling shirts at the local department store. A company needs the financial freedom to experiment with the untried, to push artistic growth to new limits, rather than choosing its direction by what production or exhibit is commercially safe.

Peter Kermani, President of the Albany Symphony Orchestra, testified this year before the House Postsecondary Education Subcommittee. The commitment of this small orchestra in upstate New York to develop new music has gained it international recognition. Mr. Kermani explained that performing new music is an expensive proposition--it is much more expensive to rent and takes longer to rehearse because the score is unfamiliar to the musicians. But for composers to develop, it is critical for them to hear their music performed,, and, "if music of quality is to be left for the future, it must be performed today." It is this legacy for the future that interests the Albany Symphony. Mr. Kermani added, "It is the grants from the Arts Endowment that allow us to experiment, to be bold, and to grow. Without this support, we could not afford to take chances and attempt this innovative programming."

It has been claimed by some that the size of Endowment grants does not matter. This view is based on a very narrow interpretation of comments from the arts community that the Endowment's "seal of approval" is an important guide to other potential donors. The argument goes, that approval still exists and serves it purpose, regardless of the size of the grant. But just as that seal is a signal, common sense also tells us that how much someone is willing to invest personally is always the most important signal to other investors. That same principle holds true for the Endowment granting process.

Some have claimed also that budget cuts for the Endowment in the range of 30 to 50 percent would be fair because the program grew so fast in past years. And where did it grow from? Zero, a mere sixteen year ago. Sharp growth is to be expected in the initial phases of any program. The Endowments both had decades, you might even say two centuries, of catching up to do. The great irony here is that despite its steady growth these past sixteen years, funding for the Endowment remains so small a part of the national budget it is still frequently rounded off to zero by program analysts.

With all the growth we have seen in each segment of private (corporations, foundations and individuals) and public (state and local governments) support of the arts, with the stunning growth in both the number of arts institutions and the size of audiences (see Attachment A), with the development of arts projects that are national in scope and impact--all since the Arts Endowment was founded and much in correlation to its own growth--an objective observer would have to believe the Endowment has been a very positive and essential factor in this phenomenon. Catalyst, stimulator, generator, initiator, inspirer, symbol...it has been all these things, as well as a supporter.

A November 1981 Roper survey shows that 66 percent of Americans believe the federal government should play a role in "fostering the arts." Translated into dollars, that role currently equals arts support of approximately one quarter of one tenth of one percent of our national budget. We ask Congress not to allow a further federal budget cut that would turn the already minor role of the Arts Endowment into a "cameo" appearance.

As we turn to the subject of corporate gap-filling, the arts community appears to share its concern about this view right along with many corporations. To quote one New England executive, John Carpenter at Chittenden Trust, "When the President told everyone to turn to the private sector, he didn't consult us." That sentiment is broadly echoed by other corporate executives.

In a speech before the Midwest Governors' Conference last summer, C. William Verity, Jr., Chairman of Armco stated, "Business and industry will not fill the entire gap that will be created by the reduction in federal spending...because they cannot fill the gap. The magnitude of the budget cuts far exceeds any practical consideration of business interest's ability to fill it. Ladies and gentlemen, it is simply not possible!" Later, in an interview with Foundation News after assuming Chairmanship of the Task Force on Private Sector Initiatives, Verity stood his ground--that business can't do it all; rather he saw private initiatives being a mix of everything that's involved in the private sector including individuals, churches, private organizations, etc. all helping each other.

Kenneth Albrecht, vice president of the Equitable Life Assurance Society testified before Congress last year that, "The corporate community will not be able to pick up all that may be cut or even a significant portion of it."

The Conference Board, an organization that has been tracking corporate contributions since 1943 recently completed a study on "Business Voluntarism, Prospects for 1982." In its survey it was found that while 60 percent of those questioned planned increases in their contributions budgets, they were far below "gap-filling" increases. In fact, they were in line with the standard increases always planned by these companies based on inflation and corporate profit gains each year. Only 6 percent of the companies claimed to have increased their budgets in response to Federal budget cuts. In addition, the study found "several major firms are actually planning to hold the line or even reduce contributions budgets during 1982."

Robert Thill, contributions committee secretary of the American Telephone and Telegraph Company stated in the WALL STREET JOURNAL that he does not "see it in the cards that we'll be able to pick up that much slack." Richard Contee, President of the Dayton Hudson Foundation, concurs: "The business community is unanimous in saying we can't pick up the slack even if everyone gave to the maximum."

Frank A. Saunders, vice president of Philip Morris, Inc., in testimony last year before the House Subcommittee on Post-secondary Education: "The overriding fact is that corporate America, with the best intentions in the world, is simply incapable of making up for the cuts in social services, education, health, culture and the like. Corporate leaders and company spokesmen have pointed out repeatedly we simply don't have that kind of money."

Corporations are meanwhile getting swamped with requests for aid. Charles L. Griswold, president of Alcoa Foundation says they have received "at least a 50 percent increase in requests we can't take care of." The Conference Board reports that over three-fourths of the companies they questioned have received a substantial jump in requests for aid, with some firms reporting a 300 percent increase in these requests.

The Conference Board sums it up this way, "there is a widespread sense that political strategists are not aware of the extent to which the business community is already supporting various philanthropic endeavors; and many believe that administration strategists do not have an appreciation of the limited resources actually available to meet various funding shortfalls."

And what of individual donors, who are already by far the biggest supporters of charities, leaping to the rescue? Again, the Conference Board: "...as the economy slides into a 'planned-for' rescession, and as consumers' real income continues to shrink, there seems to be little realistic hope that individual contributions will mushroom to such proportions that they can significantly help with the gap-filling task."

A new element that is likely to have a great effect on private donations to charities, from both individuals and corporations is the Economic Recovery Tax Act approved in 1981. Congress approved these tax law changes with the best of intentions, but unfortunately, many of them create strong disincentives for charitable giving.

An Urban Institute study done for Independent Sector last fall predicts that nonprofits will suffer an $18 billion loss in giving between 1981 and 1984, and that is calculated on only two of the many tax law changes: the 25 percent reduction in personal income tax over the next three years and the reduced ceiling of the tax on unearned income from 70 percent to 50 percent.

A new report from the Investor Responsibility Research Center predicts that corporate giving is not likely to increase substantially, even though Congress raised the limit on deductions for corporate charitable contributions from 5 percent to 10 percent of taxable income. Again, last year's tax bill is a major factor: "Because the tax deduction is applied to taxable income, and taxable income will be sharply reduced at most large corporations due to extremely liberal new depreciation rules, many corporations will exceed the deductibility limit without increasing current, relatively low contribution levels. While the higher deductible limit will reduce some of the impact of tax law changes in corporate giving, the overall impact of the tax changes will be to reduce the incentive for such gifts, perhaps by a substantial amount."

The Presidential Task Force on the Arts and Humanities was deeply cognizant of this potential loss of support and in its final report to the

President last fall recommended a number of modifications and additions to the tax laws in order to help correct these unintended disincentives to charitable giving.

Even if the tax laws are modified, however, the bottom line remains that the whole concept of corporate gap-filling is wishful and dangerous thinking.

Mrs. John D. Rockefeller III, arts patron and museum board member, dove right to the heart of the question of the role of federal and corporate funding in testimony before the House Postsecondary Education Subcommittee last year: "I do not believe there is any great untapped resource of private funding which will be found as a result of these Federal cuts...I have learned that the ideal system for our free society is a mix of three sources of support: first, individuals and private foundations; second, corporations; and third, our government. No one group should predominate."

In a February 19th article for the NEW YORK TIMES on the federal arts budget cuts, Harold C. Schonberg wrote, "Large arts organizations will not be badly hurt because Federal money accounts for about 5 percent of their budgets, on average." This viewpoint has been echoed by others and is a dangerous misconception about the financial status of our major arts institutions.

As we stated earlier, federal arts grants frequently generate five to seven times their initial investment, thus often attracting anywhere from one quarter to one third of an institution's budget. If the federal grant is significantly reduced, it is reasonable to expect that its leverage--in both practical and symbolic terms--will be reduced as well.

This would, in all likelihood, result in sizeable losses of unearned income for major institutions.

Despite comparatively large budgets, the major arts institutions are still nonprofit, which gives them little financial flexibility in harsh economic times. As we are fond of saying, nonprofits, no matter what their size, have no fat to live off of during lean times--they live lean all the time.

Public expectations of what a major institution can offer are high. If, in the face of serious losses of income it must shorten its hours or its season, lay off a sizeable number of employees, lessen the quality of its exhibits or productions, cease its search for new art and artists or its efforts to conserve the old, pare back its outreach efforts to students, etc., watch its hard-gained audience diminish--yes, it still might be more likely than a small institution to "survive" such circumstances, but at what terrible long-term cost to its health and future?

The TIMES article did note that some of the larger institutions are beginning to feel the combined effect of inflation and last year's federal budget cuts which, by the way, have occurred not only in the Endowments' programs, but also in postal subsidies for nonprofits (bear in mind much fundraising is done through the mail) and in the CETA job training program. According to the TIMES:

- Seattle Opera - has laid off 13 employees; will cut back touring, singer training, school programs.
- Bella Lewitzky Dance Company, L.A. - has reduced touring; is seeking to expand local audiences by teaching, demonstrations and other community activities.
- Hartford Stage Company - is considering dropping large-cast plays and lunchtime theater series.
- Herbert F. Johnson Museum of Art, Cornell University - will probably have to cut back programs.

If the new budget cuts for FY '83 go through:

- Guthrie Theatre, Minneapolis - expects a great effect on ancillary programs.
- Minnesota Opera Company - expects to cut special programs.

News of other major institutions is beginning to surface:

- Ballet West, Utah - has severely cut back touring and may have to eliminate it completely.
- Dance Theatre of Harlem - has curtailed its professional dance training program.
- Pennsylvania Ballet - has suspended performances due to severe debt.
- Joffrey Ballet - the administrative staff has taken a temporary pay cut.
- Buffalo Symphony - has shortened its season and cut salaries of all personnel.
- Kansas City Philharmonic - was saved from bankruptcy by a one-time gift that won't solve its long-term financial instability.
- Metropolitan Museum of Art, N.Y. - is closing galleries for part of the week.

These are just the first rumblings and signs of cracks from the major institutions. More will come.

In her testimony this year before the House Postsecondary Education Subcommittee, Barrie Wallace, President of the Durham Arts Council, said, "The NEA must continue to support the growth of the national arts institutions because it is they who set the artistic standard of excellence for America, BUT unless the NEA continues to support and expand the arts at the local level, the feeder system for artists and audiences will slowly dry up."

She is right. We need both. But we all must avoid the false security of thinking the major institutions, just because of their size, are in any invulnerable. The nonprofit arts world remains financially fragile at all ranges of the scale.

In closing, freedom of thought and of artistic expression are essential to a thriving arts world. Those freedoms are deeply cherished, but they are not enough. Both individual artists and arts institutions must have economic freedom to test, to explore, to dare to go beyond the limits, to push the boundaries of artistic experience, to operate along the cutting edge of new artistic expression. Playing it safe, financially safe, does not encourage artistic growth, nor does it usually beget great art.

The bold experiments of today will often become the classics of tomorrow. One small example of this historical pattern was offered recently by National Public Radio. The announcer quoted from an original review of Tchaikovsky's beautiful violin concerto: "Unfortunately, it is now possible to make music that hurts the ear and is unpleasant to listen to." How the ear of audiences has changed in the last few generations!

Since federal arts support began, more dollars have been generated for the arts from the private and local sectors than ever before, and subsequently this country has witnessed and participated in more art than ever before--and a great deal of outstanding art at that. We are asking Congress and this Committee to help the Endowments maintain this momentum.

Yes, even without the Endowments there would be art. And yes, even in the hardest of times an artist here and there will rise to the top--sometimes a very great artist. But that environment does not create an "age of art" that will be remembered centuries later. And it is that "age of art" that we, as the people of one of history's greatest nations, are still aspiring to achieve. We owe it to the future.

March, 1981

SOME STATISTICS AT A GLANCE

Source: National Endowment for the Arts

GROWTH OF PROFESSIONAL ARTS INSTITUTIONS*

	1965	1980
Theatres--Large Professional	15	147
Symphony Orchestras	25	150
Opera Companies --Large	27	109
Dance Companies	30	400
Museums		There are no reliable statistics

*These figures are understated... they do not include the growth rates of smaller theatres and opera companies of professional quality, but with limited seasons. (Source: National Endowment for the Arts)

AUDIENCE GROWTH

	1965	1980
Theatres	One Million	14 Million
Symphony Orchestras	10.5 Million	22 Million
Opera	(1969-70) 4.6 Million	(1979-80) 10.7 Million
Dance	One Million (80% in NYC)	16 Million Nationwide

Museums ... It is difficult to measure attendance and audience growth because of absence of ticket sales and set capacity. Museums are not limited to a certain amount of seating as are theatres.

American Arts Alliance

MEMBER INSTITUTIONS

A Contemporary Theatre • The Acting Company • Actors Theatre of St. Paul • Akron Symphony Orchestra • Alabama Shakespeare Festival • Alabama Symphony Orchestra • Alaska Repertory Theatre • Albany Symphony Orchestra • Albright Knox Art Gallery • Allen Memorial Art Museum • Allentown Art Museum • Alley Theatre • Alliance Theatre Company • Atlanta Children's Theatre • AMAS Repertory Theatre • American Ballet Theatre • American Conservatory Theatre • American Festival Ballet • Amon Carter Museum of Western Art • Anchorage Civic Opera • Arena Stage • Arizona Opera Company • Arizona Theatre Company • Arkansas Opera Theatre • Arkansas Symphony Orchestra • The Art Institute of Chicago • Artpark • The Asian Art Museum of San Francisco • Asolo State Theatre • Atlanta Ballet • Atlanta Symphony Orchestra • Ballet West • Baltimore Museum of Art • Baltimore Opera • Baltimore Symphony Orchestra • Barter Theatre • Bella Lewitzky Dance Company • Berkeley Repertory Theatre • Berkeley Stage Company • Boise Philharmonic • Boston Ballet • Boston Symphony Orchestra • Brooklyn Museum • Brooks Memorial Art Gallery • Buffalo Philharmonic Orchestra • Canton Symphony Orchestra • Carnegie Institute Museum of Art • Cedar Rapids Symphony Orchestra • Center Stage • Central City Opera House Association • Charlotte Opera Association • Charlotte Symphony Orchestra • Chicago Symphony Association • Children's Theatre Company • Cincinnati Opera Company • Cincinnati Playhouse in the Park • Cincinnati Symphony Orchestra • Circle Repertory Theatre • Cleveland Museum of Art • Cleveland Opera Company • Cleveland Orchestra • Cleveland Play House • Colorado Opera Festival • Colorado Springs Fine Arts Center • Colorado Springs Symphony Orchestra • Columbia College Dance Center • Columbus Museum of Art • Columbus Symphony Orchestra • Connecticut Opera • Contemporary Arts Museum, Houston • Corning Museum of Glass • Cunningham Dance Foundation, Inc. • Currier Gallery of Art • Dade County Center for the Fine Arts • Dallas Ballet • Dallas Civic Opera • Dallas Museum of Fine Arts • Dallas Theater Center • Dance Theatre of Harlem • Davenport Municipal Art Gallery • Dayton Art Institute • Dayton Ballet • Dayton Philharmonic Orchestra • Denver Art Museum • Denver Center Theatre Company • Denver Symphony Orchestra • Des Moines Art Center • Detroit Institute of Arts • Detroit Symphony Orchestra • The Empty Space Theatre • Eugene O'Neill Theatre Center • Everson Museum of Art • Fargo-Moorhead Civic Opera • The Feld Ballet • Fine Arts Museums of San Francisco • First All Children's Theatre • Flint Institute of Arts • Florentine Opera of Milwaukee • Fogg Art Museum • Ft. Lauderdale Symphony Orchestra • Ft. Wayne Philharmonic Orchestra • Ft. Worth Art Museum • Ft. Worth Opera Association • Fresno Philharmonic Orchestra • George Street Playhouse • GeVa Theatre • Gibbes Art Gallery • Glendale Symphony Orchestra • Glimmerglass Opera Theatre • Goodman Theatre • Great Lakes Shakespeare Festival • Greater Miami Opera Association • Guthrie Theater • Harry's Foundation, Inc. • Hartford Ballet Company • Hartford Stage Company • Hartman Regional Theatre, Inc. • Hawaii Opera Theatre • Herbert F. Johnson Museum • High Museum of Art • Hinsdale Opera Theatre • Hippodrome Theatre Workshop • Honolulu Academy of Arts • Honolulu Theatre for Youth • Houston Ballet • Houston Grand Opera • Houston Symphony Orchestra • Hudson Valley Philharmonic Orchestra • Independent Eye, Ltd. • Indiana Repertory Theatre • Indiana University Museum of Art • Indianapolis Symphony Orchestra • International Museum of Photography at the George Eastman House • Intiman Theatre Company • Jean Cocteau Repertory • Joffrey Ballet • Julian Theatre • Kalamazoo Symphony Orchestra • Kansas City Philharmonic • Kentucky Opera Association • Kimbell Art Museum • Knoxville Symphony Orchestra • Lake George Opera Festival • Lexington Philharmonic Society • Living Stage of Arena Stage • Long Wharf Theatre • Looking Glass Theatre • Los Angeles Actors' Theatre • Los Angeles County Museum of Art • Los Angeles Philharmonic Orchestra • Louis Falco Dance Company •

Louisville Orchestra • Lubbock Symphony Orchestra • Lyric Opera of Chicago • Lyric Opera of Kansas City • Magic Theatre • Manhattan Theatre Club • Mark Taper Forum • McCarter Theatre • Memorial Art Gallery of the University of Rochester • Memphis Symphony Orchestra • Merce Cunningham Dance Company • Metropolitan Museum of Art • Metropolitan Opera Association • Michigan Opera Theatre • Milwaukee Repertory Theatre Company • Minneapolis Institute of Art • Minnesota Opera Company • Minnesota Orchestra • Mississippi Opera Association • Missouri Repertory Theatre • Mobile Opera Inc. • Murray Louis Dance Company • Museum of Fine Arts, Springfield, MA • Museum of Fine Arts of Houston • Museum of Modern Art • Nashville Symphony Orchestra • National Black Theater • National Symphony Orchestra • The Negro Ensemble Company, Inc. • The Nelson Gallery • Neuberger Museum • Nevada Opera Company • New Dramatists • New Haven Symphony Orchestra • New Jersey Shakespeare Festival • New Mexico Symphony Orchestra • New Orleans Museum of Art • New Orleans Opera Association • New Orleans Philharmonic Symphony Orchestra • New Playwrights' Theatre of Washington • New York City Ballet • New York City Opera • New York Philharmonic Orchestra • New York Shakespeare Festival • Newark Museum • Newport Harbor Art Museum • Nikolais Dance Theatre • Northeast Pennsylvania Philharmonic • North Light Repertory • Norton Gallery and School of Art • Oakland Symphony Orchestra • Old Globe Theatre • Omaha Magic Theatre • Omaha Symphony Orchestra • Opera Memphis • Opera Omaha • Opera Theatre of St. Louis • Opera Theatre of Syracuse • Orchestra da Camera • Oregon Shakespeare Festival • Oregon Symphony Orchestra • Pacific Northwest Ballet • Palisades Theatre Co. • PART • Paul Taylor Dance Company • Pennsylvania Ballet Association • Performance Community • Philadelphia Drama Guild • Philadelphia Museum of Art • Philadelphia Orchestra • Philbrook Art Center • The Phillips Collection • Phoenix Art Museum • Phoenix Theatre • Pierpont Morgan Library • Pittsburgh Ballet Theatre • Pittsburgh Opera • Pittsburgh Public Theatre • Pittsburgh Symphony Orchestra • Players State Theatre • Playwrights' Center • Playwrights Horizons • Portland Art Museum • Portland Opera Association • Portland Symphony Orchestra • Puerto Rican Traveling Theatre Company • Queens Symphony Orchestra • Repertory Theatre of St. Louis • Richmond Symphony Orchestra • Ririe-Woodbury Dance Company • Rochester Philharmonic Orchestra • Rockford Symphony Orchestra • Roundabout Theatre Company • Sacramento Symphony Orchestra • St. Louis Symphony Orchestra • St. Nicholas Theatre Company • St. Paul Chamber Orchestra • San Antonio Symphony/Opera • San Diego Opera • San Diego Repertory Theatre • San Diego Symphony Orchestra • San Francisco Ballet • San Francisco Museum of Modern Art • San Francisco Opera • San Francisco Symphony Orchestra • San Jose Symphony Orchestra • Santa Barbara Museum of Art • Santa Barbara Symphony Orchestra • Santa Fe Opera Company • Seattle Art Museum • Seattle Opera • Seattle Repertory Theatre • Seattle Symphony Orchestra • Shreveport Symphony Orchestra • Sioux City Symphony Orchestra • Smith College Museum of Art • Solomon R. Guggenheim Museum • South Coast Repertory • Spoleto Festival U.S.A. • Springfield Symphony Orchestra, MA • Stage/West • Stamford State Opera, Inc. • Stanford University Art Museum • Studio Arena Theatre • Syracuse Stage • Syracuse Symphony Orchestra • Tacoma Art Museum • Theatre By The Sea • Theatre for The New City • Theatre 3 • Theatre X • Toledo Museum of Art • Toledo Symphony Orchestra • Tri-Cities Opera Company • Trinity Square Repertory Theatre • Tulsa Opera • Twyla Tharp • University of Illinois Museum and Art Galleries • University of Iowa Museum of Art • Utah Symphony Orchestra • Vermont Symphony Orchestra • Virginia Museum of Fine Arts • Virginia Museum Theatre • Virginia Opera Association • Walker Art Center • Washington Ballet • Washington Opera • Whitney Museum of American Art • Winston-Salem Symphony Orchestra • Winterthur Museum • Wisdom Bridge Theatre • Wolf Trap Company • Yale Center for British Art • Yale Repertory Theatre • Yale University Art Gallery

AMERICAN ARTS ALLIANCE - MEMBERS - ADDENDUM - April 1, 1982

Rhode Island Philharmonic
Shreveport Opera
Erie Philharmonic
Augusta Opera Association
Milwaukee Symphony Orchestra
Laguna Gloria Art Museum
Corcoran Gallery of Art
Williamstown Theatre Festival
Chautauqua Opera
Cummer Gallery of Art
Elvehjem Museum of Art
AMAN Folk Ensemble
Indianapolis Opera Company
Los Angeles Theatre Works
Telfair Academy of Arts and Sciences
Chicago Opera Theatre
Art Museum of South Texas
South Dakota Symphony Orchestra
Institute of Contemporary Art - Philadelphia
Ohio Ballet
Lovelace Theatre
Laura Dean Dancers and Musicians
Alvin Ailey American Dance Theater
Tacoma Actors Guild
Wadsworth Atheneum
Wichita Art Museum
Portland Museum of Art, Maine
Clarion Music Society
Margaret Jenkins Dance Company
Utah Opera Company
Grand Rapids Art Museum
Repertorio Espanol
The Art Museum, Princeton U.
State of Alabama Ballet
The Japan House Gallery

Ms. DEWHURST. I know you are delighted to find out I was not going to read these.

Mr. YATES. Having seen the way you read some of your parts, I was waiting for you to do that.

Ms. DEWHURST. I have read everything that I could read. I have read all of the figures, et cetera, and unfortunately, I have forgotten them all, but I have gotten the drift.

Because I am in the theater, naturally the theater is very important to me. But so much time has gone by and I have been in it long enough to realize that the theater is the spoken word of the United States.

Culture with a capital "C" existed for quite a period in the States and when I first came to New York, I was coming from Milwaukee, Wisconsin. I had lived in New York before and my parents had taken me to theater.

When I was in Milwaukee, there was no theater except an occasional company coming through. My mother took me to Chicago. It was very expensive to take me there and there was only one commercial theater.

Mr. YATES. From Milwaukee to Chicago, it is 90 miles.

Ms. DEWHURST. A good train ride.

Now, there is the Milwaukee Repertory Company, in Chicago, there are several companies.

Mr. YATES. Oh, yes, a lot of them.

Ms. DEWHURST. But the important thing is that with the cuts that have already gone into the theater, we have begun to lose the people that we want, the people that need us, the young.

There are companies now like the Long Wharf Circle, Seattle Rep, that can no longer afford to put on what we call the second stage.

They cannot train the young. They cannot send out their touring companies. I believe that the arts originally, and the theater in particular, started always as a people's movement.

The arts represent the people. And the theater gives to us an allusion, and metaphor, and great writing what the heart and soul of this country is.

When we cut back on the theater, we take away from those theaters that are left the ability to take writers and let them fail, take actors and let them fail, and take directors and let them fail.

Art is about danger, art is about entering a renaissance that you do not know the results. We are talking about an organization here which is literally helping the American people express themselves, to make a statement.

I have seen, for example, I was asked to meet with a group who were ex-inmates of the Bedford Correctional Facility. I went down and they explained to me that the Westchester Arts Council, that was Marvin Camillio who had worked with these men, and as each man came out of the prison, Marvin was there to meet them.

He thought that they were highly talented and had much to offer. I listened to all of this in a rather chic living room in Westchester looking at these gentlemen lined up against the wall, they on their side and we on our side, and the photographer said, "I would like to take a picture of this," and I said, "Like this, us here, them there? It is going to be a wonderful picture."

So, I said, "Listen, gentlemen, I am not interested in amateurs, I am not a do-gooder in the theater. Theater is my life. I would like to see what you do."

So in a rather ugly theater on the lower East Side, they did what they had done, in the prison, for me. I then arranged for them to go into a church in Catona, my two sons who were then 10 and 11 came in as stage managers and assistants.

It was, for them, an experience they have never forgotten, nor have they forgotten what they learned. The first thing was when they went to put costumes on them, they were T-shirts, and they didn't want to wear the T-shirts because the track marks showed on their arms and the director said that is what it is about.

These men gave one of the most hostile performances in the Catona church. It could make you very tense sitting out there.

They came into the audience, they spoke to us and they were angry and they were talented, and they told us in those 2 hours more than they could have ever told us in 5 weeks of speaking to us.

We saw them face-to-face. We met the enemy and they met the enemy. They then went on to do "Short Eyes," which was by another inmate. In that time aided by the National Endowment, since then, they have now been doing Chekov.

Their anger is gone. Their hostility is over. They have spoken, and we have heard them, and they have worked it out.

It's about the people, that is what it's about.

When a playright writes and an actor acts, there can be theater and emotional and intellectual awakening again within that period that all the talking in the world cannot bring out.

I did a play, I was not in it, at the Hudson Guild, basically about two men and a great friendship. Down there came 10 young men who never been in a theater; but at the end of that, when we went out and we sat we could see in the faces of the boys I had seen for a long time growing up, a different look.

There was surprise, there was understanding, and there was the beginning of a dialogue between them that was completely different than any that they had ever had before.

It had opened up ears of them emotionally and mentally that they had never dealt with and somehow now felt free to deal with it.

I think it is dangerous now to in any way let my sons, the young men, and the young women of this country, think that the Government of this country does not consider the theater to be as much a fabric of the United States, that the Government may not be as interested in their development and their ability to think, that we are giving them back to the advertising agencies that run our television and that 95 percent of what they see does not provide true emotion, true and original thought.

I see much insularity there. I would not want to think that these young people that stand in my kitchen and are beginning to worry now whether they can go back for their second or third or fourth year of college even that we are saying that only those who can afford can have, that the most original thinker, the best actor, the best writer may be standing there and we say to him, "Tough, baby, you just find any job you can because we are not interested in that original thought."

That original thought is the one we publish and send to Europe and that they come on a stage, not always congratulating ourselves in those places, but we show what we are even when we don't congratulate ourselves.

Edward Albee had a marvelous quote, I would paraphrase it, I do not mean this to be amusing or insubordinate. In Virginia Wolff, he says, you make a Government, and you make art, and you realize that they are, must be, the same thing. Through all the sound of men attempting building, the trumpet sounds. What is the disarray, up yours.

I would not want to think that my sons and the artists and the thinking that I see coming up in these regional theaters, many of them where I have worked, I don't want them to think that they have been asked to register, they have been asked to sacrifice. It is dangerous and where there is danger, there is opportunity and without that kind of thinking in this country, we are not going to move into the next phase that we hope this country will move into. These are the people who stand on the stages now in almost every State in this United States that now exist that did not exist 15 years ago, and express to people who didn't even know that they had that need, and send them out of there feeling like citizens of these United States, that we would like to hear from. We are not saying they are a 12-year old mentality. This is a people's art.

Thank you.

Mr. YATES. Thank you very much.

Beautiful statement. Powerful statement. Thank you, Ms. Dewhurst.

Ms. DEWHURST. Thank you for listening.

Mr. YATES. When you utter words, I am always glad to listen.

Ms. DEWHURST. Oh, let's hope that never stops.

Mr. WULSIN. Mr. Chairman, I don't——

Mr. YATES. Mr. Wulsin.

Mr. WULSIN. I am overwhelmed by the eloquence of the people who have preceded me, and it is really very moving to come here.

Mr. YATES. Yes, it is. It is very moving to be here.

Mr. WULSIN. I am not going to attempt to in any way equal the eloquence that they have given for real substance of what art is about. As a matter of fact, I am absolutely astonished that I am here. I look around and I am astonished that I am on a performers panel, number one.

I am astonished I am in such distinguished company. But I am distinguished in another way and I have no prepared statement to give you.

Mr. YATES. That is all right.

Mr. WULSIN. I will just speak as I feel it. I had the privilege last year——

Mr. YATES. I have heard of you although I have not met you before. You are very good.

Mr. WULSIN. Flattery will get you everywhere.

Mr. YATES. It suddenly dawns on me you are the one from Denver that I have talked about. You were on the President's Commission for the Task Force.

Mr. **Wulsin**. I was just going to speak about that.

Mr. **Yates**. You were the one they all pointed to. All right, go ahead.

Mr. **Wulsin**. I want to speak that I am astonished that I am here today because I thought we had won the battle last year. As you know, I don't have to recapitulate where we were last summer.

Mr. **Yates**. I know where you were last summer.

Mr. **Wulsin**. But we came through with our report.

Mr. **Yates**. You were on the ramparts last summer.

Mr. **Wulsin**. And it was adopted and it looks as though we may have won the battle, but we are about to lose the war.

So I am here to say let's not lose the way.

Mr. **Yates**. Right.

Mr. **Wulsin**. And we are facing a proposed 30 percent cut, and within the confines of how the National Endowment operates, a 30 percent cut would represent a major defeat and a major step backward.

I speak with feeling on the subject because I know that even though money is not the be-all or end-all of an artistic performance, but it is certainly a facility territory.

Mr. **Yates**. If you would yield for a second, let me point out how Mr. Hodzel put this when he appeared before our committee.

Mr. **Wulsin**. I quote from his statement. He said, referring to the financial difficulties in which the Nation finds itself: "It is within this context the Administration proposes its fiscal year 1983 budget for the endowments of $100.8 million."

That proposal, incidentally, is some $13 million more than the Administration's fiscal year 1982 request.

Mr. Hodzel was referring to the first proposal of $88 million. He did not refer to the second proposal which took it down to $77 million.

"The Endowment was one of the few agencies," he said, "for which the President proposed a budget increase over his fiscal year 1982 request."

I said to Mr. Hodzel, "Mr. Hodzel, you cite the case most euphemistically." I said, "Actually the thrust is that the President proposed a 30 percent cut from 1982, and from 1981, it is about a 40 percent cut. It is not this $13 million increase. You have to look at the reductions as to what the effect will be."

I assume this is what you were talking about.

Mr. **Wulsin**. That is what I was referring to. My recollection, though you could correct me, is that the President did sign the $142 million appropriations.

Mr. **Yates**. It was $143.5 million.

Mr. **Wulsin**. $143.5 million.

Mr. **Yates**. This committee put in $149 million originally. We negotiated it out to about $146, million in conference with the Senate; later, in order to get agreement on the bill, we agreed to another 4 percent cut, which made it $143 million.

This year, we face other problems. This year we face the Administration request of $100.8 million, which is a very significant reduction from the $143 million; but we also face the legislative authorization level which the Gramm-Latta bill established at $119.5 million.

It is going to be very difficult to go above that authorization level to attain even what the Congress approved last year.

The committee may try to do that. I hope it does. I am not sure that it will. But that is the background for the testimony that you are now making.

Mr. Wulsin. We in the field hope that you succeed.

Mr. Yates. Thank you very much.

Mr. Wulsin. This is why I refer to the 30 percent cut being a major step backwards.

Mr. Yates. Yes, it is a retreat.

Mr. Wulsin. Yes. I heard Mr. Perlman describe the situation where the Boston Symphomy went to China and played and the tremendous results that this engendered in terms of cultural relations between the Chinese Government and ourselves.

It was my good fortune to be in the audience in Peking the night that that happened. I can tell you for me it was a very moving experience to have the Boston Symphony and I don't know whether you are aware of it, but in the final encore, they put the Chinese orchestra and the Boston Symphony orchestra together and there were——

Mr. Yates. Don't tell me, they played the Stars and Stripes Forever.

Mr. Wulsin. They did play the Stars and Stripes Forever. At the end, they played the Stars and Stripes Forever and the entire Chinese audience stood up and applauded like crazy.

I was with a number of Chinese that night and as we walked out, they were not major symphony-goers, and I said, "What did you like the best," and they said, "We liked that Stars and Stripes Forever.

The best thing we have heard." It was a remarkable performance. Absolutely remarkable.

Let me go back for a minute to my background which is one of management, coming out of the business world. I presently am chairman of the Colorado Council for the Arts and Humanities.

It seems to me that in looking at where we stand today and the challenges that we face, that one of the things that you have to decide is what the proper role of the Federal Government is in support of the arts.

I am just delighted that Congressman Dicks came in at this point, because last——

Mr. Yates. He is my body guard.

Mr. Wulsin. Last fall, at the time of the task force, I was asked to go to the State of Washington to speak to the Arts people in Washington, and Congressman——

Mr. Dicks. At Ft. Warden.

Mr. Wulsin. Exactly right.

Mr. Dicks. We had a marvelous day.

Mr. Wulsin. I was a little jumpy in my stomach, but Congressman Dicks told me everything was going to be all right.

Mr. Dicks. I said as long as Sid Yates is chairman of our committee everything will be all right.

Mr. Wulsin. I was asked to come and speak as to what was going to happen in the task force. I hope I gave them some encouragement.

I was very interested to find out that subsequent to my being there—certainly as a result of some of Congressman Dick's good works—that the State of Washington appointed a task force, a similar task force to examine what the real program is in Washington. Washington you know has had tremendous unemployment, falling off in revenues, they have had problems that other States have had but really exacerbated to a great deal.

I just received a copy of their report and I would like to give you just a couple sentences from this.

He said:

> The magnitude of the financial crisis now facing the arts in Washington State is due almost entirely to the abrupt withdrawal of significant support by the Government, both national and State.
>
> The National Endowment for the Arts was targeted for a 50 percent budget reduction; Congress in 1981, responding to public pressure, modified the actual reduction to 16 percent reflecting the Federal Administration's initially proposed 50 percent cut and the economic crisis in Washington State, the legislature cut the State cultural enrichment program and the State Arts Commission budgets more than 50 percent.
>
> This cut occurred in the State budget that increased 19 percent.

This is just out recently, but we in Colorado do not have a problem of that magnitude, but I feel that the same essence of what the response will be for the Federal program in the arts is at issue.

It is really a management issue and the issue is directed to the fact of whether we can adapt to change.

Coming out of a business background adapting to change is a tremendously different challenge. The arts are very fragile in nature.

They are, as has been testified many times, they are hanging on the ragged edge in many cases. Their ability to adapt to change and the ability to adapt to change in the management of arts endowments and arts support is very, very critical.

My feeling is that the role of the U.S. Government is to help avoid that rapid change. We all have change, but it is a magnitude of the rapid change that is really destructive.

You cannot operate the arts like a yo-yo going up and down. You have to have the ability to plan and look ahead. You have to have some degree of consistently.

I do not necessarily feel that the Federal Government is the call of last resort, but it has the major role to play enabling arts managers to really look into the future to plan and to do it in a rational, orderly way and not jump up and down one year up and then the next year down.

It's been one of the great advantages of the endowment over the years that we have had reasonably consistent regular increases that have been forecasted and that you have been primarily responsible for. That has really enabled the arts community to grow as has been testified so eloquently.

So I feel that the arts community, along with other communities, we can tighten our belts when we have to, but you can't just jump from an extended stomach to one that hits your backbone overnight.

That is a real major problem and a major problem that I think that we in the States face.

So I would hope that you take that into consideration.

Mr. Yates. We will. I never pictured the arts as having extended stomachs.

Mr. Wulsin. I have seen some of that in Falstaff.

Mr. Yates. I didn't mean to cut you off.

Mr. Wulsin. No, I was going to go to the next point, which is perhaps a slight diversion, but I think you will see why it is relevant. I have various hats that I wear. One of the ones that I am wearing in Denver recently is that we have——

Mr. Yates. Kind of like Puba.

Mr. Wulsin. He had a big stomach, too, didn't he.

Mr. Yates. Yes.

Mr. Wulsin. We launched something called the Denver Business Challenge which is an attempt to get corporations to increase their contributions to 501(c)3 organizations. And it is an attempt to enlarge the horizon and the scope of corporate giving.

We launched this in April 19, this past year, 1982. We had William Farrity of the President's Task Force for Private Initiative come out, we launched this and our desire is to get corporations in Colorado starting in the metropolitan Denver area to increase their giving and we set a goal of 2 percent of pretax income.

And I think by the scope of our program is on a yearly program, if we get 150 to 200 corporations to agree to do this, this is totally voluntary, I think we will have made a significant step.

But this is voluntary and it is obviously not directly related to the arts, but the arts are a beneficiary of this.

If we get 150 to 200 to do it by the year end, we will be doing well, I think. We have now 30 signed up. We are moving in the right direction.

The significance is though, that if you took all the corporations in Colorado and took 2 percent of the pretax income according to the 1981 tax returns, you would end up with $44 million.

The effect of the Federal budget cuts in Colorado projected on a proposed cuts, is $153 million. So all I am saying is that it is not commensurate; that the effect of private philanthropic can't or does not, at least in Colorado, really measure up to what has been done if we are going to have a society that is a continuing viable society.

It is important to be done. I have dedicated a lot of time and effort to doing it. I think we are going to be successful, but I wanted you to know and I discussed this with other Members of the Colorado delegation, that that is not going to be the answer totally, but it is going to help.

Mr. Yates. I hope you can persuade Senator Armstrong.

Mr. Wulsin. I am trying.

Mr. Yates. I will try, too. I am sure you will be more persuasive.

Mr. Wulsin. I am a voter.

Mr. Yates. That is why I say you will be more persuasive.

Mr. Wulsin. One of my other hats is that I am the President of the Board of Trustees at the University of Denver, which is a private University in Colorado and the Rocky Mountain area.

We obviously depend on private solicitations and private contributions in order to survive. It has been interesting that we have had an increasing flow of funds and we are doing a better job of solicitation and doing things better

But at the beginning in February, it started to fall off. Now whether that is as a result of ERTA and remove the premium for giving last year, whether it is as a result of the economic downturn that is affecting not only the United States but Colorado as well, but this is a fact that I know of my own personal cognizance.

It was interesting that Mr. Hodsoll testified that the major private contributions were to educational institutions, to hospital care and to arts organizations and I happen to be also the Chairman of the Joint Hospital Planning Commission Society, the whole range.

Mr. **Yates**. You are a busy person.

Mr. **Wulsin**. So, I see that private sector contributions are very important but they are not going to really answer the problems that we are facing now with a major downturn in the economy.

On the subject of what the effect of the downturn is on the arts, I can give you two examples that have happened with it the last 2 to 3 weeks, one that you are probably aware of, the oil shale projects on the Western Slope have been cancelled.

One of the things that we worked on for a long time was to have Exxon help us launch a community arts council in one of the Western Slope communities where the oil shale was going. They agreed to do that. That is now at an end.

Tosco, one of the other organizations, had agreed to help, on a private basis, start a crafts project on the Western Slope. That has now come to an end.

All I am saying is that there is an intimate relationship between the arts, the wellness of private industry and the relationship to Government and they are tied very closely one to each other.

I would say that you are well aware that most of the States are forward funded.

Mr. **Yates**. Yes.

Mr. **Wulsin**. So that the effect really would start to come down. But already the effect of the declining public vision of where the economy is going is affecting some of our institutions in Colorado, not yet the major ones but it is certainly affecting a number of the minor ones. It is damaging.

On the major ones, it was interesting that the city of Denver gave up a support of $1 million that they had for the Denver Art Museum and so forth. That has been cut.

They have had to institute admission in order for people to go. The attendance is just starting to sink very rapidly. Access to art is the major question that I think we wrestle with, that you wrestle with.

Congressman Regula mentioned it. Access is a very important part of what we have to do in the arts and it seems to me that this is very important. Access is important.

The other qualities that I would also want to mention is that it seems to me that the arts organizations are beginning to pull in. They are giving up their experimental projects. They are pulling away from those projects that are controversial in nature, that are edge of the art, that are the new creative kinds of projects that we think are important and it is certainly very important in the arts.

The effect, therefore, of the shrinking is that we are going to play it safe and that we will lose the cutting edge that we have had in the past.

In view of all of these ups and downs, it is certainly very difficult to come up with an accurate figure of exactly what the arts need.

I want you to know, however, that in addition to my role as Chairman of the Colorado Arts Council, I am also Vice Chairman of NASA, so I do have some national association with the State arts.

Mr. YATES. Oh, I wondered whether you were flying.

Mr. WULSIN. No. As you know, we have adopted a budget of what we think appropriate for this year, it is $163 million.

Mr. YATES. Is that the same or less than last year?

Mr. WULSIN. That is considerably more. This is what we are urging you to come up with.

Mr. YATES. Oh, that is what you want us to come up with. Oh, $163 million.

Mr. WULSIN. Right.

Mr. YATES. Okay, we will be glad to consider it.

Mr. WULSIN. I think that that is an increase over what we had last year but given the fact that we are going into a downturn, given the fact that we are looking into our crystal ball and seeing the economy of this country sliding downhill and the support for the arts and the role of the United States Government, it seems to me is the true unclear relationship.

When you need support, when you are really in trouble, they should be there to give it. There should not be a good-time Charlie who comes in and runs away when you need them. We need them now and we think $163 million is the right figure.

Thank you very much.

Mr. YATES. Thank you very much. Thank you, Ms. Dewhurst. Thank you, Mr. Wulsin. Thank you, Ms. Stevens.

Mr. DICKS. Would the chairman yield?

I am sorry we had a vote and I missed part of the testimony. I want to say how much we did enjoy your coming to Washington and your contribution and your comments here today.

I thought your testimony was very, very good. It will help us this year as we proceed forward and I want to welcome you back to Washington. Any time you would like to come back we would like to have you.

Mr. WULSIN. Thank you.

Ms. STEVENS. I would like to come back, too.

Mr. YATES. Thank you very much.

FRIDAY, MAY 21, 1982.

PARTNERS IN FUNDING

WITNESSES

FRANK A. SAUNDERS, STAFF VICE PRESIDENT, PHILIP MORRIS, INC.

STANLEY ARONOFF, CHAIRMAN, FINANCE COMMITTEE, OHIO STATE SENATE

HENRY GELDZAHLER, COMMISSIONER, DEPARTMENT OF CULTURAL AFFAIRS, NEW YORK CITY

LOUIS B. HARRIS, CHAIRMAN, AMERICAN COUNCIL FOR THE ARTS; PRESIDENT, LOUIS B. HARRIS ASSOCIATES

ARTHUR I. JACOBS, ATTORNEY

THEODORE BIKEL, ACTOR, AND PRESIDENT, ACTORS EQUITY ASSOCIATION

Mr. YATES. Partners in Funding. Mr. Frank Saunders, Mr. Aronoff, Mr. Geldzahler, Mr. Harris, Mr. Jacobs and Mr. Bikel.

We have a large panel here. Let's see, how do we take you on? Mr. Jacobs has a plane to catch. Why don't you go first, then?

Mr. JACOBS. Thank you, Mr. Chairman.

Mr. Chairman and Congressman Dicks, I am Arthur I. Jacobs. I am really grateful to have the opportunity to appear before you. I was here last year as an observer and have observed the work of this committee. Let me just tell you that as a person who practices law in a small town and participates in the arts, I am most grateful for your leadership and the leadership of this committee and its handling of matters for the National Endowment for the Arts.

Just as a point of reference, I would tell you of my involvement in the educational field as well as in the arts field. I am a member of the trustees of two universities in the State of Florida and I am immediate past chairman of the trustees in my law school and I am involved in the raising of funds in the neighborhood of $2 to $3 million a year from the private sector. So I have had some experience in that.

I was former Dean of the University of Florida at a time some years ago and made my living by raising money from the private sector so I have had some experience in that particular area.

Mr. YATES. So you are really an expert witness then?

Mr. JACOBS. I don't know about that expert. I am someone from out of town. I qualify for that.

My involvement in the arts—my mother told me that I would become cultured when I didn't think about the Lone Ranger when I heard the William Tell Overture.

I had a discussion with a friend of mine about buying a chandelier and he said we didn't have enough money and didn't have anybody to play it. I have overcome those things. I have learned enough about it now to be dangerous.

I am really here to give you what I consider to be some historic perspective about the National Council and to tell you that I, too, am surprised that we had the same anguish we had last year. I am concerned about that.

It would seem to me that the National Endowment faced the task of the task force. We welcome that examination. I believe we passed it with flying colors.

Then, again, we are cut once more by the political process. I love the political process. I think anyone who doesn't love politics does not love democracy and I am glad that once again we do have some controversy because then we come to the side of the arts and recognize that it is important and we do redefine, I think, our goals.

What the cuts in the arts do for the National Endowment, I believe, is that it makes the best become the enemy of the good and the good the adversary of the possible and this is my concern.

What is enough? How much is enough? We have been operating at a level that certainly is not enough. If you look at the numbers of thousands of grant applications that we received and you see the needs across the country, you would see that we don't have enough, certainly. But we have to recognize what the budget has done and that that is a political reality.

I think we miss a lot of things when we cut back the arts. If you look at the Gross National Product, and I am sure we have all had the opportunity to read about that this week, that once again that has fallen off even though it shouldn't be happening now because the dollar is stronger against foreign currency and you would think that we would be doing better.

The biggest problem that we have or the largest part of the falloff in the Gross National Product is really by percentage our exporting of technology, our exporting of things that we have created in this country.

We are taking second place to other countries now in our exporting.

I lay a lot of that to the creativity opportunities that our young people have. I think that we don't supply them with enough opportunity to be creative, to be involved in expanding the mind and having the freedom and the opportunity that we can offer through programs of the National Endowment and other programs in the arts so that the mind does have the chance to grow. I think that we miss that opportunity.

I would tell you that the shots that were fired here last year by Mr. Stockman were heard around the world. I have heard of discussions in New Zealand where people were cutting back the arts there because they thought America didn't think it was a good thing or important thing. It was a fat thing in our Government.

In the State of Florida this year the staff recommended zero funding for the arts.

We fought back to get where we were last year. We won that battle. But it was a shot that was fired from Washington.

It is a perception that the people have of what is going on and what is good about this country. It concerns me a great deal that that occurred. But I would tell you that because of your efforts and the efforts of Congress that was overcome.

I am concerned when I read like the task force said the strength of America arts and humanities is essential to the well-being of the Nation, and yet the monies we talk about are so small and such a little part. Someone said one time what we spend on art in America would run maybe the Pentagon for 30 minutes.

Well, I don't want to compare the money for the arts for the money for defense because I think defense is very important. But what are we defending? If you look at things as they are going on in the country and you cut back on art, what are you cutting back on?

You are certainly not cutting back on the very finest of things that we have in the country for the arts. Whenever we lower our efforts all we really do is affect the lower and middle income people because it is not the rich that will be affected by the rise in ticket prices, not the cutback in concerts to schools, the outreach programs to senior citizens and to hospitals and to the handicapped.

Those are the people who suffer. Those are the people who can't compete in the dollar marketplace and those are the people, I think, that we help out.

Why is it that we talk about cutting back the arts when all the evidence tells us that the revitalization of core cities today is based upon the revitalization of the arts in those cities, the performing arts, the things that bring life back into a community.

These are realities. These are facts and yet we don't seem to examine those.

I know talking to you I feel like preaching to the choir and I don't want you to misunderstand that.

Mr. YATES. No, but you are preaching for the record, too, and that is important.

Mr. JACOBS. All right, sir.

Artists really are wizards, magicians, sorcerers. They make that which is very difficult appear to be very easy. These are things that are so valuable in our society, these expressions, this opportunity to have this expression is very, very important. It seems to me that if we are concerned about the sights we are setting for ourselves for the eighties, the problems that we are having worldwide, the arts seem to be the thing that brings people together.

It is a thing we can discuss with Russia and with Red China. These are the things that we can do through exchange that bring people together and yet we talk about cutting them back. I am quite concerned about that.

My remarks really are very brief today and I would want to just brief you. One is a poem I wrote and I am going to indulge myself by doing this if that is all right with you.

Mr. YATES. Just so it is artistic.

Mr. JACOBS. That is right. It is the only thing artistic I ever tried and after I get through you will know why. It goes like this.

"I am not willing to say I will be ever fearful of falling sky, to anticipate pain and only cry.

We are not dead until we die.

Exalted our striving must be. We must move forward, you see, for our enemy identifies as me if I shirk my destiny.

To expect joy and pleasure without the payment of measure, payment prescription with leisure will ultimatly lose our treasure.

The flight of light from reason, for art there is no off season, love of anything is pleasing.

To love art, though, ought not to be treason."

Mr. YATES. Thank you very much, Mr. Jacobs. That is very good.

Mr. JACOBS. Mr. Chairman, that concludes my remarks.

Mr. YATES. It is going to be published in the record.

Mr. JACOBS. That is the only way that I would ever be published. I would ask if there are any questions. If not, I really do have to catch a plane.

Mr. YATES. You may catch your plane. Thank you very much.

Mr. JACOBS. Thank you, sir.

Mr. YATES. Mr. Harris, you have to catch a plane, too.

Mr. HARRIS. Mr. Chairman, my name is Louis Harris and I am here today in my capacity as——

Mr. **Yates**. Your statement will be made a part of the record.

Let me just continue and say that the testimony of Mr. Bikel will be made a part of the record as will Mr. Saunder's and Mr. Geldzahler.

Mr. **Harris**. Mr. Chairman, I would like to read a critical part of my statement.

Mr. **Yates**. We are glad to hear it.

Mr. **Harris**. At the outset, let me say that those of us who labored in the vineyards of abdicating that the Federal Government assume its fair and just responsibilities in supporting the arts, indeed, all of the American people owe you personally an enormous debt for your incredibly effective and heroic efforts on behalf of the arts.

Mr. **Yates**. I appreciate that but you will have to save your time.

Mr. **Harris**. No, I am going to read it.

The record should accurately state that all of the pleas of those of us in the private sector who fought to reverse the Reagan cuts to $88 million last year, we might have gotten it up $10 or $20 million but you, sir, almost singlehandedly got it up to the level of $143 million.

Mr. **Yates**. Well, thank you.

But Mr. Dicks and the others helped, too.

Mr. **Harris**. I happen to know that you would not quit. You lobbied your colleagues day and night, used all of your consummate skills and conference negotiations and steadfastly finally carried the issue.

We are so proud of you and we are deeply in your debt. I can say with full candor that you, Mr. Chairman, represent the finest that our democratic system can produce.

Mr. YATES. Thank you very much.

Mr. HARRIS. I might suggest, Mr. Chairman, part of the reason for your performance might be traced to your being an artist yourself and your magnificent communications to your own constituents.

Part of it must also be attributed to your deep and sensitive understanding of what the arts contribute to our society and what should be the proper role of the Federal Government in the arts.

Your courage and fortitude in the face of overwhelming power, parade against you and stand as an example of what leadership should be.

Mr. YATES. This is what we call trial by adulation.

Mr. HARRIS. Last, Mr. Chairman, for all of your efforts, all of ours, the battle now must be fought all over again.

Mr. YATES. Now you are getting to the substance of the statement.

Mr. HARRIS. This new budget request of $100.8 million, and my typist is an optmist and had a billion, is nothing short of dismal. I say dismal because a minimum 30 percent cut in what was already a pittance for the arts can only be taken as a signal that this Administration just has not learned how desperately the arts are needed as an indispensable ingredient with times as hard as they are now.

If ever our people needed just a small outlet to the spirit in the ravages of this recession they need it most desperately today.

I read Frank Hodsoll's testimony, the Chairman of the National Endowment, and putting it very bluntly, Mr. Chairman, if he made no mention of dollars at all in that testimony one would have concluded that the need for expansion arts, folk arts, literature, visual arts, obviously needed much more support and couldn't have been put better.

Indeed, the chairman showed much sensitivity to the need to invest in the new art forms and nurturing new and struggling artist is the groups and to stimulate private sector funding in the arts.

Sadly, Mr. Chairman, Mr. Hodsoll's financial conclusion was a total nonsequitur after his even sometimes exciting report of promise in the arts today.

I would like to, if I might, take up the question of private sector's support for the arts. Increasingly the National Endowment has been embarked on a course of sponsoring challenge grants, now the advancement program including technical assistance, to help small, struggling organizations to learn how to even raise money.

On the face of it, such grant programs, by definition means two, three, four or five times private monies must be raised for each Federal dollar spent.

The implication is clear that in the following years the private monies raised in the matching grant program are not only likely to continue but likely to grow even without any further challenge grants or matching grants.

Thus, to cut the National Endowment budget rather than to increase it modestly from $143 million to, say, $160 million as we in ACA advocate, surely must be taken as either a vote of no confidence in potential private giving to the arts or a signal that in this period of financial crunch the arts are nothing short of expendable.

Either of these conclusions in turn sadly suggest little faith in the simple proposition that the arts are even more desperately needed by our people than they are in more prosperous times.

They also suggest that this Administration ought to rethink its rhetoric that it wants to see private sector investment in the arts grow.

The ultimate irony in this whole situation, and I am stating it as bluntly as I know how, is that if there never were a National Endowment for the Arts, but only a mandate to stimulate private investment in backing of the arts, especially those in their formative stages, there is every likelihood that the National Endowment for the Arts would have been reinvented all over again in much the same form that it now exists today.

Mr. Chairman, I would like to say as firmly as I know how, this is precisely the time that we ought to rededicate ourselves to expressing our faith in an open, voluntary, free society.

The arts allow you to find the sorts of creative expression experience in a troubled world.

And to put my professoinal hat on I will add that a 70 to 75 percent majority of people in this country feel precisely this way.

This realization, this article of faith and our most creative fellow Americans is what this cause is all about.

Mr. Chairman, if we must fight the battles of 1981 all over again to achieve a modicum of support at a decent funding level, then fight we must and fight we will.

We cannot be more delighted to enlist behind your galiant leadership. Hundreds of thousands of us will press ahead where we can do no less to allow this critical ingredient in our national life to survive and to grow.

The arts are not mendicants. The arts must not and will not crawl on their bellies. They have earned their place in this country of ours. We will not allow that place to slip, to regress, to be snuffed out.

That we pledge with all our heart and all our soul for much of the future quality of the human experience, Mr. Chairman, lies in the balance.

Mr. YATES. Good for you. Thank you very much for a very fine statement. We appreciate it.

Mr. HARRIS. Thank you, Mr. Chairman.

[The statement of Mr. Harris follows:]

Testimony of
Louis Harris
Chairman
American Council for the Arts
Before the Subcommittee on Interior Appropriations
Washington, D.C.
May 21, 1982

Mr. Chairman, my name is Louis Harris and I am here today in my capacity as National Chairman of the American Council for the Arts, a major private sector organization which provides services to arts organizations and institutions, as well as advocating positions on public issues as they affect the non-profit world of the arts.

Mr. Chairman, at the outset, let me say that those of us who have labored in the vineyards of advocating that the Federal government assume its fair and just responsibilities in supporting the arts, indeed, all of the American people, owe you personally an enormous debt for your incredibly effective and heroic efforts in behalf of the arts. The record should accurately state that all of the pleas of those of us in the private sector who fought to raise the Reagan budget request to cut the level of Federal funding for the National Endowment for the Arts to $88 million might have gotten $10 or $20 million restored. You, sir, almost singlehandedly, got it up to the level of $143 million. I happen to know that you would not quit, you lobbied your colleagues night and day, used all of your consummate skills in conference negotiations, and steadfastly

FINALLY CARRIED THE ISSUE. WE ARE SO PROUD OF YOU AND ARE SO DEEPLY IN YOUR DEBT. I CAN SAY WITH FULL CANDOR THAT YOU, MR. CHAIRMAN, REPRESENT THE FINEST THAT OUR DEMOCRATIC SYSTEM CAN PRODUCE. IF I MIGHT SUGGEST, MR. CHAIRMAN, PART OF THE REASON FOR YOUR PERFORMANCE MIGHT BE TRACED TO YOUR BEING AN ARTIST YOURSELF IN YOUR MAGNIFICENT COMMUNICATIONS TO YOUR CONSTITUENTS. BUT PART MUST ALSO BE ATTRIBUTED TO YOUR DEEP AND SENSITIVE UNDERSTANDING OF WHAT THE ARTS CONTRIBUTE TO OUR SOCIETY AND WHAT SHOULD BE THE PROPER ROLE OF THE FEDERAL GOVERNMENT IN THE ARTS. YOUR COURAGE AND FORTITUDE IN THE FACE OF OVERWHELMING POWER ARRAYED AGAINST YOU MUST STAND AS AN EXAMPLE OF WHAT LEGISLATIVE LEADERSHIP CAN BE FOR GENERATIONS TO COME.

NOW, ALAS, MR. CHAIRMAN, THE BATTLE OF LAST YEAR MUST NOW BE FOUGHT ALL OVER AGAIN. THE NEW F.Y. 1983 BUDGET REQUEST OF THE REAGAN ADMINISTRATION COMES UP HERE AT A DISMAL $100.8 M~~B~~ILLION LEVEL. I SAY DISMAL, SIMPLY BECAUSE A ROUGHLY 30% CUT IN WHAT WAS ALREADY A PITTANCE FOR THE ARTS CAN ONLY BE TAKEN AS A SIGNAL THAT THIS ADMINISTRATION JUST HAS NOT LEARNED HOW DESPERATELY THE ARTS ARE NEEDED AS AN INDISPENSABLE INGREDIENT IN TIMES AS HARD AS THEY ARE TODAY. IF EVER OUR PEOPLE NEEDED JUST A SMALL UPLIFT IN THEIR SPIRIT FROM THE RAVAGES OF THE RECESSION, THEY NEED IT MORE DESPERATELY TODAY.

TO PUT IT BLUNTLY, I HAVE READ NEA CHAIRMAN FRANK HODSOLL'S APRIL TESTIMONY. IF THERE WERE NO MENTION OF DOLLARS IN HIS STATEMENT, A FAIR CONCLUSION WOULD HAVE BEEN THAT THE

NEED FOR THE EXPANSION ARTS, FOLK ARTS, LITERATURE, AND VISUAL ARTS TO HAVE MUCH MORE SUPPORT COULD NOT HAVE BEEN PUT BETTER. INDEED, CHARIMAN HODSOLL SHOWED MUCH SENSITIVITY TO THE NEED TO INVEST IN NEW ART FORMS, IN NURTURING NEW AND STRUGGLING ARTS GROUPS, AND TO STIMULATE PRIVATE SECTOR FUNDING OF THE ARTS.

SADLY, MR. CHAIRMAN, MR. HODSOLL'S FINANCIAL CONCLUSION WAS A TOTAL NON-SEQUITOR AFTER HIS EVEN SOMETIMES EXCITING REPORT OF PROMISE IN THE ARTS TODAY.

LET ME JUST TAKE UP THE QUESTION OF PRIVATE SECTOR SUPPORT FOR THE ARTS. INCREASINGLY, THE NEA HAS BEEN EMBARKED ON A COURSE OF SPONSORING CHALLENGE GRANTS AND NOW THE ADVANCEMENT PROGRAM, WHICH INCLUDES TECHNICAL ASSISTANCE. ON THE FACE OF IT, SUCH GRANT PROGRAMS BY DEFINITION MEAN THAT TWO, THREE, FOUR, OR FIVE TIMES PRIVATE MONIES MUST BE RAISED FOR EACH FEDERAL DOLLAR SPENT. AND, THE IMPLICATION IS CLEAR THAT IN THE FOLLOWING YEARS THE PRIVATE MONIES RAISED IN A MATCHING GRANT PROGRAM ARE NOT ONLY LIKELY TO CONTINUE, BUT EVEN TO GROW -- WITHOUT FURTHER MATCHING GRANTS. THUS, TO CUT THE NEA BUDGET RATHER THAN TO INCREASE IT MODESTLY FROM $143 MILLION TO $160 MILLION, AS WE IN ACA ADVOCATE, MUST SURELY BE TAKEN AS EITHER A VOTE OF NO CONFIDENCE IN POTENTIAL PRIVATE GIVING TO THE ARTS OR A SIGNAL THAT IN THIS PERIOD OF FINANCIAL CRUNCH, THE ARTS ARE EXPENDABLE. EITHER OF THESE CONCLUSIONS IN TURN SADLY SUGGEST LITTLE FAITH IN THE SIMPLE PROPOSITION THAT THE ARTS ARE EVEN MORE DESPERATELY NEEDED BY OUR PEOPLE THAN THEY

ARE IN MORE PROSPEROUS TIMES. THEY ALSO SUGGEST THAT THIS ADMINISTRATION OUGHT TO RETHINK ITS RHETORIC THAT IT WANTS TO SEE PRIVATE SECTOR INVESTMENT IN THE ARTS GROW. THE ULTIMATE IRONY IS THAT IF THERE NEVER WERE A NATIONAL ENDOWMENT BUT ONLY A MANDATE TO STIMULATE PRIVATE SECTOR INVESTMENT BACKING OF THE ARTS, ESPECIALLY THOSE IN THEIR FORMATIVE STAGES, THERE IS EVERY LIKELIHOOD THE NATIONAL ENDOWMENT FOR THE ARTS WOULD HAVE BEEN REINVENTED ALL OVER AGAIN IN MUCH THE SAME FORM IN WHICH IT NOW EXISTS.

MR. CHAIRMAN, I WOULD LIKE TO SAY AS FIRMLY AS I KNOW HOW THAT THIS IS PRECISELY THE TIME THAT WE OUGHT TO REDEDICATE OURSELVES TO EXPRESSING OUR FAITH THAT AN OPEN, VOLUNTARY, FREE SOCIETY BELIEVES, "THE ARTS ALLOW YOU TO FIND A SOURCE OF CREATIVE EXPRESSION AND EXPERIENCE IN A TROUBLED WORLD," A VIEW, I MIGHT ADD, THAT IS CONCURRED IN BY A 70-25% MAJORITY OF OUR PEOPLE ACROSS THE LAND.

THIS REALIZATION, THIS ARTICLE OF FAITH IN OUR MOST CREATIVE FELLOW AMERICANS IS WHAT THIS CAUSE IS ALL ABOUT. AND, MR. CHAIRMAN, IF WE MUST FIGHT THE BATTLES OF 1981 ALL OVER AGAIN TO ACHIEVE A MODICUM OF SUPPORT AT A DECENT FUNDING LEVEL, THEN FIGHT WE MUST. WE COULD NOT BE MORE DELIGHTED TO ENLIST BEHIND YOUR GALLANT LEADERSHIP. THOUSANDS, HUNDREDS OF THOUSANDS OF US WILL PRESS AHEAD, FOR WE CAN DO NO LESS TO ALLOW THIS CRITICAL INGREDIENT IN OUR NATIONAL LIFE TO SURVIVE AND GROW. THE ARTS ARE NOT MENDICANTS. THEY HAVE EARNED THEIR PLACE. WE WILL NOT ALLOW THAT PLACE TO SLIP, TO REGRESS, TO BE SNUFFED OUT. THAT WE PLEDGE WITH ALL OUR HEART AND SOUL. FOR MUCH OF THE FUTURE QUALITY OF THE HUMAN EXPERIENCE HANGS IN THE BALANCE.

Mr. YATES. Mr. Bikel.

Mr. BIKEL. I appear wearing several hats here, both as a member of the National Council on the Arts and President of the Actors Equity Association; for another 2 weeks that happens to be true; I am also speaking for the Department of Professional Employees of the AFL-CIO.

But all that aside, I am really here because I am an artist; an artist who has cared so deeply about Government involvement with the arts that I found myself in a midwifely position before the Arts Endowment was even created.

As you well recall, I have come before you each time, first when it was to be established, later when it was to be authorized, and later each time when it was to be funded. What distresses me is that we have to come back and make this trek with stupifying regularity as though we had to reinvent our existence each time anew, as though each time, from the beginning, we had to convince the world—and that means the world of Washington and the world of Government—that the arts are not only an essential, vital element of our lives, but that Government has a role to play in support of the arts.

Let's leave all of that aside. The statement has been made over and over again that the arts are important to the quality of life. We all accept that. The President accepts it. I dare say even Mr. David Stockman accepts that premise.

Only they seem to say, to listen to their statements, sometimes, that Government should not be the catalyst in these matters but that the private sector should be the form in which the arts are to be supported.

First of all, I refuse to believe that historical coincidence exists in our world. Is it a coincidence that the private sector only contributed $45 million per annum or thereabouts to the arts in 1965 and that today that figure is up to some $400-or-more million?

I refuse to believe that that is a haphazard happening, that there was not a causality involved in the existence of the National Endowment for the Arts which called forth that private support.

Today, by all conservative estimates there are five private dollars swirling around each Government dollar that is given to the arts.

So when we are talking about cutting back the Government dollar by 30 percent or by $40 million, if you will, you are talking basically, conservatively, about $200 million being lost to the arts because the private sector will not take up the slack. They have told you that again and again and they told it with as much persuasion as they could.

First of all, the very tax laws that have been enacted are a disincentive to giving, not an incentive as much as they like to believe.

It used to cost contributors only 20 cents on the dollar of hard currency to give to the arts. It will now cost them 50 cents or more in hard currency to give to the arts and that is a disincentive.

But even let us assume that the private sector would take up the slack, would indeed make up for what the Government takes away. I would tell you that the quality of the art to be supported will be irrevocably altered; I am the first one to admire the private sector for its foresight and its dedication, but it has a history of funding that which is already accepted and readily acceptable.

It has a history of funding yesterday's success rather than tomorrow's promise. Therefore, I am talking about the marginal, the experimental, the bold, the innovative. I am talking about all of those who very rarely have a path to the private sector, who will fall by the wayside and who may languish and die.

What poet do you know who can walk up to a private foundation and say, may I have $2,000 so I don't have to drive a taxicab 12 hours a day and can write poetry? There are no such addresses for the individual artist to come to.

There is an address and the address is exactly at the Arts Endowment. I am talking about theatre companies, Mr. Chairman, you know them very well. In my own State, the Hartman Company in Stamford may wither and die and there are signs on the horizon that it will.

The American Shakespeare Company in Stratford, Connecticut, a national institution, is in danger. It is flirting with Chapter 11 proceedings at this point because of the threat of diminished funding.

Here in Washington, D.C. the Arena Stage is getting as much money as any theatre has ever gotten from the theatre program and yet it, too, had to go to the chairman for a chairman's grant of $17.5 thousand in order to fund an experimental undertaking and it is in danger.

The New Playwrights here in Washington, an experimental house, will die if the cut happens.

The Studio Theatre in Washington, D.C. will suffer and maybe be no longer.

The Alley Theatre in Houston is in major difficulties and it is looking toward the Federal Government go give it support in order to be able to go to the private sector.

Even the Mark Taper Forum on whose board of the Los Angeles Music Center sit a lot of friends of this present Administration, even they are suffering and bleeding.

Experimentation has led to great successes. If it had not been for the experimental theatres we would not have had such things today as the Pirates of Penzance, as the Children of a Lesser God. We would not have had Master Harold and the Boys, which is a South African play that started with the Yale Repertory Company funded by the National Endowment for the Arts and which is one of the most phenomenal plays that have ever been.

We have created something and it is now in danger of being eroded and this is ridiculous.

I looked at the news this morning: I see a war in the Falkland Islands, I see gun boats and I see the threat of nuclear destruction looming and it seemed kind of puny to come to Capitol Hill and talk about the arts. And then I thought to myself, damn it, when do you talk about the arts if not at such times?

When the bombs were falling on London, Parliament sat and created the British Arts Council as if to say this will survive and help us to survive. That is when it is needed, when the bombs are falling.

Itzhak Perlman was talking about the Yom Kippur War in 1973. Isaac Stern took his fiddle and I took my guitar and I went to Israel at that time and I played music with shrapnels and bombs exploding all around our faces.

I am not a brave person but there was a question of morale, my own as much as anybody else's. It was necessary to sing a song that says, "If we only have love," at a time when our very lives were in danger.

Colleen said danger is what this is all about. Survival is what it is all about. National dignity is what it is all about.

I refuse to concede that the national interest can be defined by a public accountant's mentality. I refuse to believe that it can and shall be defined by the Office of Management and Budget or even by the White House.

The national interest is to be defined as the aggregate of all the component groups that make up the American people. And in our case that means everybody. That means the ghettos and that means the Ivy League colleges and it means all those who say you cut our music and our art and our sculpture and our museums and you will rob us of the dignity we deserve and it is not right.

Mr. YATES. Good for you.

Thank you very much for a most eloquent statement.

Mr. BIKEL. Thank you. I will stay for a little while, as long as I can.

[The statements of Mr. Bikel and Mr. Saunders follow:]

TESTIMONY
OF
THEODORE BIKEL
PRESIDENT
ACTORS EQUITY ASSOCIATION

Mr. Chairman: once again it is my pleasure to appear before you in behalf of the appropriations request for the National Endowment for the Arts. As you know, this is not the first time I have had the pleasure of meeting with this committee to discuss this program. I do so, because I believe I have an obligation, as the elected spokesman of some 30,000 professional actors, to share with you their perceptions of this program and assist you, if I can, in your work of overseeing the expenditures of the public's money by this agency.

Today, I have also been asked to speak for the AFL-CIO'S Department for Professional Employees. The Department comprises 27 national and international unions servicing over 8,000,000 working men and women. I think it is significant that, throughout the years of its existence the National Foundation on the Arts and the Humanities has enjoyed the unstinting support of this Department and the AFL-CIO. The maintenance and dissemination of the best our culture has to offer are not expendable activities in our view. They are essential to the functioning of our democracy.

In sum, I have the privilege of conveying to you the message of a substantial number of artists, professional people of all disciplines and workers who comprise a very large and varied sampling of American society. It is a simple message: Please continue the most important and appreciated support you have given to the activities of the Foundation.

I do not think I overstate my case when I say that these unions of workers and artists reflect the broad based support which these programs in the arts and humanities have achieved among all levels of our population and throughout our country.

Why is this so?

Because vast numbers of Americans are concerned about the kind of life they live apart from their work and the kind of community in which they must live it.

One of the byproducts of the increasing productivity which we as a nation have enjoyed and expect to enjoy even more in the future is increasing leisure time - time free from the demands of working for a living. This may come about throught the incidence of earlier retirement or the innovation of shorter work weeks and work days. Regardless of method, the end result is more time for the average man and woman to pursue those enriching experiences which in times gone by were availabe to only the wealthy, so-called "leisure" class. But, time alone is not enought to satisfy this quest if the price is still beyond the means of most and the availability of cultural activities in many sections of the country is lacking. Without such opportunities, time weighs heavily and, as can be expected, hollow and downright asocial activity fills the void. An America, which Thoreau foresaw, where "The mass of men lead lives of quite desperation" could well become a nightmarish reality in our time.

This committee, of course, is expert on the nation's efforts to preserve and enhance opportunities for our people to fill their hours away from work through outdoor recreation. Over the years, our nation has been in the forefront with regard to encouraging such activity and preserving the needed parks and other natural facilities. The members of this committee and their predecessors certainly deserve much of the credit for this.

But, comparatively and historically, we, as a nation, have done little to nurture and preserve the nation's cultural resources for similarly enriching activity.

National parks, clear streams, virgin woods are vital resources for all who seek to enjoy the outdoors in their free time. America's fine actors, musicians, dancers and other artists are the nation's basic resources of concern to all who seek to enjoy our cultural riches. The problem in both areas is not only to protect and develop these resources but to make them available and easily accessible to as many Americans as possible.

No doubt you question how I can come before you asking that funding for the Arts and the Humanities Foundation be maintained at a time when other items in the Federal budget are being cut severely. Frankly, I do not approve of many of those cuts but if a distinction must be made I believe it lies in the fact that, with regard to many of these other programs, the nation is dealing with a long history of major funding. In the arts, we are not. Government aid came late and has been, relative to the need, modest. While cuts in other areas may hurt - cuts in this small program would be devastating. You can liken this situation to cutting back the diet of regularly well-fed people. They can stand to eat a little bit less. But do it to the undernourished and they likely will get dangerously ill and maybe die.

Typically, American artists are underutilized and poorly paid. This condition, of course, has an adverse effect on the quality ot their work and their ability to share our society's cultural needs. They are being wasted in the same way a lake that is allowed to be polluted is wasted or a ravaged forest is wasted.

This is happening despite the fact that a growing, better educated population, enjoying increasing leisure time is placing even greater demands on our cultural resources. Our museums lack the funds to accommodate them with more facilities and longer hours. Our theatre, dance and music groups struggle to lengthen their seasons, extend their tours into more cities and towns and perform more works. They find it difficult to pay artists and supportive personnel a living wage and also meet the costs of transportation, rentals, advertising, materials, etc.

Unless our society is willing to concede that the arts shall be the preserve of the wealthy, then there is a decided limit on the price that can be charged for cultural experiences. This is especially true today as the recession continues to hack away at the expendable income of many millions of Americans. Unwilling to raise prices and unable to cut costs, our art organizations are condemned to undertake increasing deficits if they attempt to increase their services to more and more people. They simply cannot pay their way - any more than schools, hospitals, or national parks, - without government assistance.

To say, as some have, that these activities and the arts can be sustained and expanded by private giving is to ignore two factors. The poor economic environment today has severly restricted the ability of many to give. You have already heard testimony from prominent business executives who - while pledging to do their best also told you their best will fall far short of the need. Secondly, I believe it is extremely dangerous for a democracy such as ours to make all of our arts, our humanistic study, our culture dependent on the whim of one sector of our society - the corporate and individually wealthy. We tried this and in the end it did not work and that is why the National Foundation was created.

By 1964, the Theatre had shrunk to New York and a few outposts. In large areas of the country the opportunity to experience quality dance, ballet, symphony music and jazz did not exist. The only live art forms which seemed to be surviving were those that could obtain commercial support. The experimental, the developmental, and minority interests were being strangled. The American dream that progress means a better life and that a better life means the opportunity to explore the arts and study the humanities remained but a distant dream.

The infusion of government support did much to change this. As you know, since the 1960's theatres have expanded to several cities and practically every region of the country can now boast professional theatre, dance, music.

The National Endowment for the Arts offers invaluable assistance to maintain these activities, utilize our artists and, at the same time, satisfy the growing demand of our people for enriching activities in their communities.

I believe that because of this it has won the respect of professional artists and the general public. It deserves the financial support you are being asked to give.

This does not mean that there are no problems. Some stem from the severity of the economic situation I have described and can be ameliorated by the provision of financial support. Others are more esoteric and resistant to equally direct solutions. They relate to definitions. What are the arts? Who are the artists? What and who are the concerns of the Endowment? And finally, to the question: How are these concerns best addressed?

Wisely, I think, the authorizing legislation for the Endowment did not attempt to answer these questions. It enumerates a number of art forms without narrowly defining them and it emphasizes the need to encourage professional quality. It does so quite properly without further examining the terms "professional" or "quality". For these matters are left to the Chairman, and distinguished experts who serve on the National Council and the various program panels. In this manner, the Congress sought to insulate decision-making on purely artistic matters from extraneous considerations - including those which its own members and the White House may be tempted to suggest. This is not a unique arrangement. Congress has provided such "insulating devices" for other programs and I think they exemplify the marvelous ability of our governmental system to strike a balance between the need for independent professional judgement and public accountability.

Of course, experts at times will disagree and will make mistakes. But unless the mistakes are egregious and extreme - unless they amount to an abandonment of the Congressional mandate, I believe the expert judgements on these matters must prevail.

To my mind, the role of this committee and Congress is to concern itself with the system - with the method by which decisions on arts policy are made. If you are satisfied that the decision making process is sound, deliberative and informed, then you are safe to leave the judgements needed in the hands of the Council and the agency.

As a member of the Arts Council, I speak from first hand knowledge when I say that the system is working. There is debate - sometimes quite heated. A diversity of expert views is being heard on the Council and in the panels. Though you and I and others can disagree on a number of judgements made by the agency, it is, nevertheless, working in accordance with the mandate Congress gave it. It should be encouraged to do more rather than less and I hope you will give it that encouragement in the most explicit manner by approving full funding and by discouraging any move by the Administration to work around it.

Again, Mr. Chairman, I want to express my appreciation for this committee's efforts in the past and my eagerness to continue to assist you in whatever way you wish in your most important work.

STATEMENT OF
FRANK A. SAUNDERS
STAFF VICE PRESIDENT, PHILIP MORRIS INCORPORATED

May 21, 1982

I am pleased to appear here as a representative of the American Council for the Arts, and to urge in its behalf the adoption of a budget of $160 million for the National Endowment for the Arts for Fiscal Year 1983.

I appeared several times before this sub-committee and other Congressional bodies two years ago and again, most recently, last March as a spokesman either for the ACA or for my company, Philip Morris Incorporated. In all instances the subject was the same: appropriations for the NEA. The circumstances and the climate have changed somewhat with the times.

Several weeks ago I was in Rome to take part in a ceremony with Pope John Paul II attending, that announced that Vatican art for the first time will leave Rome and will tour the United States...and that this unprecedented event is made possible by a record contribution by Philip Morris.

From there, I went directly to Rennes, in France, where the government recently doubled its allocations to the arts from one-half to one percent of its national budget. I spoke to French business leaders about the extent, character and value of American corporate support of the arts, and of American business's link to government funding, particularly to the NEA.

Members of my department and myself...and, what is more to the point, the chairman of our board, our senior managers and the leading officers of our affiliated companies...spend considerable time around the country, urging corporate leaders and company representatives to support the arts because we feel they are so critical to the well-being and morale of our citizenry and our communities. And we have been doing it for years. We even have a long-running institutional ad campaign that maintains "it takes art to make a company great."

I mention this not to engage in idle boasting, but to indicate we have excellent credentials and priceless experience in asking companies to support the arts if they are not already doing so, and to give more if they are. We believe we know how they will respond to a cut in funds for NEA.

As you know, for our part, over the years, through four/five administrations, Philip Morris has steadily increased our support of the arts. We have done so because we realize the value of such support and because circumstances permitted us to make these contributions. We hope to continue what we have been doing, and even more, so long as we can.

We are not alone in this approach, of course; far from it. A good number of other major corporations have a similar history of increased giving, growing involvement, deep commitment.

There are limits, however. We can go just so far. There is no way the corporate community can pick up the shortfall created by federal cuts in social services and the arts.

To begin with, the bulk of corporate support of the arts comes from a comparatively small handful of companies. These firms also have other major social obligations to the community in such basic areas as health, education and welfare. Although many, perhaps most, of these companies are increasing their philanthropic support, they simply cannot do what only the government can do...nor should they be expected to.

Even assuming, in this dreary economic period, they miraculously doubled their contributions, they still cannot become the catalytic agency that the government has been for them, and must continue to be for others.

The fact of the matter is, the overwhelming number of American businesses do not support the arts. Whatever success those that do have in soliciting others to join them is achieved primarily by pointing to the practical and symbolic worth of federal funding...to the quality of partnership between government and business in encouraging and sustaining the arts...and to the nature of the association between our companies and NEA in particular.

Only if the government is in it wholeheartedly will more of the business community support the arts on a higher level. And that is understandable. In the situation I know best, I want to point out, as I have done before, that if it were not for the partnership support and creative energy of NEA, Philip Morris, which is acknowledged to be one of the main supporters of the arts, would not have underwritten so many exhibitions, so many shows of great cultural and national significance. Moreover, without NEA, these exhibitions would not have been seen by so many people in so many communities, large and small, all over the U.S.

We have always valued NEA's meticulous, non-judgmental selection process and, on more than one occasion, relied on NEA's involvement in deciding to sponsor one or another particular show. For us, at any rate, NEA participation throughout the years has made the difference, the critical difference, in so many ways.

The ACA's basic argument in soliciting support throughout the country is that the federal government here in Washington cares about the arts, really cares. And for evidence, we proudly pointed to, until recently, the increasing budget of the NEA.

The fact that business now gives three and four times what the NEA budget is, only means that the federal government in this area is doing its job extraordinarily well. The budget for NEA remains the critical impulse for corporate support. If that is weakened, corporate support, now and in the future, is also weakened.

A flourishing art has several great values for our nation. The most obvious one is economic. The impact of the arts upon the economic life of U.S. communities has been widely noted; it cannot be underestimated. The arts may be classified as a labor-intensive industry generating a high dollar return on the philanthropic "investments," so-called, by government and business, in terms of jobs and daily commerce, most obviously travel, hotel, food and entertainment, but also extending throughout the entire economy. This is true not only for the large cities, but for all communities across the land.

Cultural activities, moreover, stabilize communities and neighborhoods, and the economic and social worth of this cannot be calculated. They increase property values. They provide all levels of government with sizable tax returns. In sum, on a domestic level, there is a cultural "domino effect."

We are living in hard times, of course, but the ACA does not see how cutting down on what is so beneficial, will help matters any.

The ACA believes there is another reason, even more powerful than the economic one, why the federal government should allocate $160 million for the NEA. To state it simply, our people need the arts and they need them more than ever in this difficult period, these perilous and uncertain days. And they have said so.

It has been demonstrated time and again, most dramatically perhaps by the third and most recent Louis Harris survey on

"Americans and the Arts," that the overwhelming majority of our citizens do not look upon art as a frill or passing fancy, but regard it as an imperative social need for themselves and their children.

Why should this be so? What is so special about art?

Well, the sense of art is inborn, instinctive. Perhaps what truly distinguishes the human race from all other living creatures is our innate capacity to create ideas, to create a vision of the future. In this, I think, lies the answer. Free art strengthens our abilities to overcome our broad difficulties. It generates a sense of confidence, of faith, in the future.

It can whet the communal appetite to move forward. These days, these coming years, we need to nurture those things that propel our enterprising spirit.

Some comparative figures might help in understanding the ACA position. Earlier I mentioned that France devotes one percent of its national budget to the arts; I believe there are several other West European countries that make similar allocations.

What a glory day it will be for us when our government is in a position to consider such a proposition. In fact, it would be a glory day if we were able not to designate just one-tenth of one percent. Or even one-twentieth of one percent; that is, one cent for every $20 our government spends. That day, unfortunately, is not yet at hand.

Of course we understand the realities. That's why we can be as pragmatic as the next group. In this spirit of necessity, we suggest instead a modest one cent for every $48 in the coming budget. We don't think we are being unreasonable.

The $160 million we propose for the National Endowment for the Arts is only 20 percent more that the arts budget for Canada with its population less that 10 percent of ours. Our suggested figure is only about 14 percent larger than government funds for the arts in Denmark, which has a population slightly more that one-fiftieth of ours.

Stated another way, that little country appropriates $28 per capita for the arts, while our administration is asking for about 40-45 cents a person. We want to hold the current line and, symbolically, push it up a tiny bit to about 65-70 cents a person. In ACA's opinion, this makes all the difference in the world now.

My parents taught me I must never, never put the word "only" before such a figure as "$60 million." I've learned my lesson well. Even in these days, I think, that's a lot of money.

The ACA believes we will get a lot for its proposed $160 million, over and above what it means, in practical, financial terms, to hundreds and thousands of arts organizations of all kinds in every state of the Union.

One, it is the best kind of signal you can send out to American business that it too has an obligation to continue to support the arts, and even more generously than before. And there is no better time for such a message than now. As you know, the last quarter recorded the sharpest drop on record in corporate profits. A good number of our largest companies...and I am referring to auto, steel, rubber, construction, etc...registered either outright losses or steep declines.

Under these circumstances, if government funding goes down...and we're talking about relatively small amounts...the business community can be expected to have second thoughts on the subject. If, on the other hand, the government says in effect "we want to re-affirm the significance of art in our national scheme of things by symbolically sweetening the pot just a bit," you can be assured American business will unhesitatingly follow its lead...will maintain its level of giving and, if our record means anything, even increase its contributions.

It will certainly make ACA's job easier in persuading many companies which have never supported the arts, to do so now.

Two, it will have a similar effect upon our state legislatures and city halls everywhere. They too would be more easily persuaded to hold the line and maybe also inch ahead of previous fundings.

Three, and most important, is the message that a $160 million appropriation for the arts will send out to our people.

We all know, painfully so, that our country faces an economic crisis, a crisis of uncertainly on the best path to pursue. But this does not mean we have to undergo as well a crisis of spirit, a loss of faith in the indomitable will and awesome capacity of the American character.

This is certainly a time when we need the inspiration, the wonder, the strength that only art can give us.

Herein, the American Council for the Arts believes, lies the ultimate...the intangible, but very real...value of the $160 million allocation we propose for the National Endowment for the Arts.

Mr. **Saunders**. Frank Saunders, Vice President of Philip Morris.

Mr. **Yates**. Thank you, Mr. Saunders. I know you and of the good work that you have done.

Mr. **Saunders**. I want to join Mr. Harris very briefly in expressing gratitude to you and your committee for what you have done.

Mr. **Yates**. I will accept it on behalf of the committee.

Mr. **Saunders**. Thank you. I will join Mr. Harris on behalf of the ACA, the American Council for the Arts, and as a board member and they are standing for the $160 million for the fiscal year in 1983.

As a corporate executive I will address my remarks mostly to the corporate world on what NEA has meant to the arts.

There are only a small handful of companies, these companies also having other major social obligations in their communities and although many and perhaps most of these companies are increasing their philanthropic support, they simply cannot do what only the Government can do, nor should they be expected to.

We have said this over and over again and Theo said it, there is no way the corporate community can pick up the shortfall which will be created here and which has been created for the past 2 years in social services and the arts, even assuming this very depressed economic period that these companies doubled their contributions, they still could not become the kind of catalytic agency that the Government has been through the NEA.

I think almost every piece of testimony this morning has supported that.

Only if the Government is in it wholeheartedly will more of the business community support the arts on a higher level and that is understandable.

If it were not for the partnership, support and creative energy of the National Endowment for the Arts, Philip Morris, acknowledged to be one of the main supporters of the arts today, could not have underwritten so many exhibitions, so many shows of cultural and national significance.

Moreover, without the National Endowment, these exhibitions could not have been seen by so many people in so many communities around this country.

We have always valued the NEA's selection process and on more than one occasion we relied on the NEA's involvement in order to decide to sponsor a show. NEA's participation throughout the years has made the crucial difference to Philip Morris and to other companies.

The fact that all of business now gives three or four times what the NEA budget is, that is, I think the last count that I have is about $500 million, which Lewis Harris questions but that is as good a number as any, having grown from about $22 million fewer than 20 years ago.

The fact that all business now gives three or four times what the NEA budget is only means that the Federal budget in this area is doing its job very well.

The budget for NEA remains the critical impulse for corporate support in the United States. If that is weakened, corporate support now and in the future is also weakened.

I would like to touch very briefly here on some of the extraneous values of the arts to this country. For example, the impact of the arts upon all communities cannot be underestimated. They may be classified as a labor-intensive industry generating high dollar return on the philantrophic investments, so-called by Government and business in terms of jobs and daily commerce, most obviously travel, hotel, food, entertainment and extending throughout the entire community.

Cultural activities more often stabilize communities and the economic and social worth of this cannot be calculated. They increase property values. They provide all levels of Government with sizeable tax returns.

On a domestic level, there is a cultural domino effect from the arts.

The ACA believes we will get a lot for $160 million if we are able to get it for fiscal year 1983, over and above what it means in practical financial terms to hundreds and thousands of arts organizations of all kinds in every State of this Nation.

It is the best kind of signal you can send out to American business that it, too, has an obligation to continue to support the arts even more generously than ever before.

There is no better time for such a message than now and this is the job that many of us are trying to do not only to keep the companies that are in support of the arts active and giving and increasing but to get all of the companies that have never done it into the act.

And if the Federal Government starts moving out, the companies that have never done it are not likely to. It will be very difficult to talk them into joining us in this kind of support for the arts.

I would like to just mention a few comparative figures. I was, 2 weeks ago, in the town of Rennes in France at a Franco-American Institute where there was an art symposium. I had been asked to come by a company which is in France. France had just increased its national budget for the arts to 1 percent of their national budget for art support.

At this conference I did a little summary of the 20-year history and reduced it only the last 20 years for Federal support of the arts in the United States and corporate support in the arts in the United States and really, if you look at it, that is the period that we are talking about.

The creation of the National Endowment for the Arts and the beginning of the Business Committee for the Arts, the beginning of the growth of corporate support for the arts which went hand-in-hand with the growth of the NEA over the last several years.

And we in the United States, while France provides 1 percent of their national budget, are not up to ½0 of 1 percent. I think the 1983 proposal from the Administration comes to about 1 cent for every $78. I am not absolutely sure of my numbers but that is what it seemed to figure out to.

Under these circumstances if Government spending goes down we are talking about relatively small amounts, really, in terms of the total.

The business community can be expected to have second thoughts on the subject if, on the other hand, the Government says in effect we want to reaffirm the significance in our national scheme of things by symbolically sweetening the pot just a little. You can be assured, I think, that American business will unhesitatingly follow the lead, will maintain its level of giving and if our record means anything, may even increase its contributions. I personally would like to pledge myself to try to help American business to do that but we need to have the NEA to help us.

Mr. YATES. Thank you very much, Mr. Saunders. That was an excellent statement.

Mr. Aronoff.

Mr. ARONOFF. Mr. Chairman, I am Stan Aronoff, assistant president pro tempore of the Ohio Senate.

Mr. YATES. Oh, you are big, then.

Mr. ARONOFF. I am a Republican. I am chairman of Finance. In 1967——

Mr. YATES. We are still glad to have you.

Mr. ARONOFF. I understand your problems.

In 1967, I was the Senator that sponsored and created the Ohio Arts Council and have watched it grow. I am a member of the Arts in the States, Committee of the National Conference of State Legislators, and a bunch of other things that relate.

I understand your problems right now. You operate your committee the same way we operate the Senate Finance Committee on the empty-stomach theory, keep them around long enough and they will be short.

Mr. YATES. No, no, it wasn't that.

Mr. ARONOFF. I will try to do that. On a panel entitled Partners in Funding and I think in some ways, I was asked to come here because of the Ohio experience, which is not dissimilar from what is going on in the national Congress now. Budget deficits of enormous amounts are involved.

In the face of that, we increased the funding for art in Ohio. May I graphically take you through that for a second.

In 1967, when we started the Ohio Arts Council, we were similar to other States and you have that in the record. We started with $12,000.

As of now, we have $5.52 million a year which ranks us pretty well up at the top, nobody can compete with New York.

Ohio currently, depending on which politician is testifying, is either in a deep recession or a depression. You know that from Illinois.

In 18 months, we have had to raise taxes three times. We have cut our budgets probably comparatively 20 times as much as the Federal Government has done and yet we did increase symbolically our funding for arts during this critical time.

By the way, in Ohio, we have to balance our budget June 30 of each year or we run afoul of our constitution.

Mr. YATES. May I ask you a question about that?

Mr. ARONOFF. Yes.

Mr. YATES. I made a speech in Ohio a couple years ago to an arts organization and I was told that Ohio, by its constitution, requires music to be taught in schools?

Mr. **Aronoff**. Not by its constitution. All our constitution says is that every child is entitled to a thorough and efficient education, period.

Mr. **Yates**. I thought music was required.

Mr. **Aronoff**. However, in our gifted children's formula, as part of the school foundation program, art is included and music is included.

Mr. **Yates**. I see. Okay, thank you.

Mr. **Aronoff**. There was a comment that the chairman made a little while ago which I would like to emphasize. There is tendency every once in a while to look at the support of arts as being only of one party.

Art is bipartisan and I hope that the chairman will make that clear to the Republicans on your committee.

Mr. **Yates**. I thought I had.

Mr. **Aronoff**. You have. I am emphasizing that.

Mr. **Yates**. I said in my statement that part of the reason that the Endowment had flourished so well was that its support had been bipartisan, both from the Congress and from the Administrations.

Mr. **Aronoff**. I am emphasizing that you had, and I am applauding you for doing that.

Mr. **Yates**. Okay, I will accept the applause, thank you.

Mr. **Aronoff**. Insofar as what is going on in the Federal Government, however, that may give you the peculiar way that it flowed into Ohio. Because, as the Federal Government talked of cutting, and did, in fact, take huge slices out of art, we had the reverse factor happening in Ohio, where of all things, in the Republican Senate, 18 to 15, the Republicans supported art and the Democrats kept quoting from the record that was going on here and it was almost a party-line vote in order to get the funding for art. Unfortunately so. Maybe that is the nature of the game. Whatever one party is for, the other party is against.

I deeply hope that in the resolution of the budget crisis that you are in right now that it will be a nonpartisan support that will increase art and that the National Endowment will not be cut.

For Congressman Regula, who had to leave, I would like to pose a response to one of the questions that he had. It is partly because of the National Endowment and the selective funding that they do, but the funding that has standards attached to it that the Ohio Arts Council was able then to have the freedom and the $10 million that we gave to bring art to everybody in the State of Ohio in one form or another.

It was a partnership. The Ohio Arts Council would work very closely with the challenge grants given by the National Endowment. When you cut the National Endowment, you give the people that or the advocates of taking the arts appropriation and moving it to something else, tools for battle.

What happened in Ohio, fortunately, we had a chairman that was an advocate of art, but you are not going to find that in every State and I think that if it is a passive chairman of Finance or arts is not high up in priorities, what you do here will cut and harm institutions at the State level.

I have an article from Bill Ruckleshaus at the Arts in the States meeting in Seattle, and perhaps Congressman Dicks may want to see that, but the purpose of that meeting, I think, which was just last weekend, does relate in many respects to the conversations that you have here.

Mr. YATES. We are glad to have that for the committee files.

Mr. ARONOFF. Once again, it is using a study of arts and the impact on tourism and economic development.

I do think some documentation as to what kind of impact that has on States is important in the advocacy side of art. Mr. Ruckleshaus talked of art being in some instances a primary employer in the tourism area and the other side of that coin, it attracts employees.

In some of the new tax laws, the commercial restoration factor that gives incentive to preserve our heritage works in the art area.

You have heard testimony already that business will not pick up the slack and Mr. Ruckleshaus emphasizes that, also, that you will never get quite as much.

In that discussion, also, was whether art should become part of simple basic education and that is being considered in all 50 States right now. That definitional question, what you do here will have a tremendous impact as to whether basic education just simply includes arts.

The final thing that I think relates to Michigan, the States of Washington, Illinois, Great Lakes States, and those States which are hard-pressed for money which seem to be increasing almost daily, that is the argument in Ohio is we have to convert in a certain way from the emphasis on the automobile, the emphasis on steel and glass, rubber, the heavy industry that made the Great Lakes States great and we have to work towards high technology.

That seems to be the new phrase, every State will have high technology, nobody will have anything else and the economy will go to hell every other way.

Mr. YATES. And Pennsylvania goes out of the Union because they have coal.

Mr. ARONOFF. We have some, too, only ours is soft.

When you do that, if there is a conversion to high technology, the experience is the other way. What business is basically saying is we can't go high technology unless we have trained people.

You can't have trained people unless you have attractions to bring in trained people so business basically is saying in Ohio if you don't have high quality high education, if you don't have the computerization and so on, and if you don't have culture, we can't get the people in order to change the economy of the State which everybody is trying to do.

I would like to leave with you that I think it is a self-fulfilling prophesy, that the States in recession will help pull out if they don't forget art.

Mr. YATES. Good for you. I want to congratulate you for the role you have taken in the State of Ohio.

Not only does it impact on Ohio, but it impacts throughout the States in the country.

I think you are to be commended very much for that. You have performed a great service. Thank you very much.

Mr. **Yates**. Mr. Geldzahler from the Empire State. You get 22 percent of the arts budget.

Mr. **Geldzahler**. We will talk about that. I am Henry Geldzahler, commissioner of Cultural Affairs for New York.

For 18 years, I was a curator of the National Museum; I was with the Endowment under Roger Stevens, I was also a member of the President's task force on the Office of Humanities and I am frankly horrified.

The task force report was presented to the President at a pleasant lunch last November in the White House and we were all there, and self-congratulatory because the task force, despite many of the members were appointed from a Reagan-Stockman economic bias, turned around and suggested that the endowments be kept as they are, that their work was excellent, that they be funded at the current level.

The task force did its work and convinced the recalcitrant members through exposure to what the endowments do and here we are back where we started from.

Mr. **Yates**. Right.

Mr. **Geldzahler**. When I worked with Roger back in the 1960's, our hope was this would be a bipartisan program. When the English monarchy goes from Tutors to Stewards, there is not great discussion as to whether patronage of the arts is going to continue.

It is in the blood, it is in the culture. It is necessary. I would submit the same is true and every 4 years, we ought not to have to start this all over again.

Mr. **Yates**. We had not had to until this Administration.

Mr. **Geldzahler**. This is the first time. I don't say it is the beginning of the dark ages, but it is not very bright, either.

The history of direct funding for the arts in the United States can be dated beginning in 1960 when Nelson Rockefeller started the New York State Council on the Arts, 5 years later, the Endowment. The City of New York, which I represent, actually has funding that goes back to the 1870's, but it is not direct.

It is support of our cultural institutions through ownership of the buildings and through maintenance, security, heat, light and power, keeping the roof fixed.

My contention is that the New York City system has the lousy stuff done by the city and the fun stuff done by the private sector.

We construct the stage, make sure it is safe, and open as many hours a week as possible, free, and the roof is intact.

But the private sector determines the dance on the stage. It seems to work well in New York.

As a matter of fact, during the past 4 or 5 years that Mayor Ed Koch has been mayor, a former Congressman whom I am sure many of you know, it is more than doubled from $21 to $46 million a year and that is tax expense money raised through the citizens.

One of the ways we have done it is by what Colleen Dewhurst mentioned, the 250,000 people who come out and listen to the Philharmonic and the Opera in the Parks in the summer.

One of the things I do is make sure that Mayor Ed Koch is there and we send him up on the stage, nobody boos and I say, look, they are all voters and it is true, those people who come to those concerts vote.

Mr. YATES. What does that say?

Mr. GELDZAHLER. Oh, you know.

Mr. YATES. It says, "Now, I can run for Governor."

Mr. GELDZAHLER. I only hope as Governor, he will double New York—having doubled New York City to $46 million in 4 years, if as Governor he doubles New York State from $35 to $70 million, he will be Lorenzo Dimenachi Koch without even trying.

It is possible because the New York City budget is $13 billion, New York State is $27 billion, so it is possible to find the money.

But I am particularly proud of the New York model because not only did we double the amount of money that the cultural institutions get and the free events like art in public schools, art in hospitals, free events in the parks in the summer, we have from 1972 to 1978, in 8 fiscal years, black and Hispanic individuals, companies and institutions received $1.8 million from the City of New York.

From 1978 to 1982, it is $9.5 million. We have more than quadrupled the amount of money we are able to give to black and Hispanic organizations in the City of New York which make up a large and significant membership of the public and don't always have the private means that we are talking about.

This kind of ability to double the entire budget and quadruple the amount of money that goes to citizens who participate in the democratic processes don't always get back as much as they put in, I think is a particular great achievement on the part of Ed Koch and the Administration.

Mr. MURTHA. If you increased the public-sector financing so much, how about the private sector? Has it increased comparatively?

Mr. GELDZAHLER. It has and I would like to make the point that a model would be charitable organizations. I am not saying the funding from New York is charitable. I happen to be Jewish, with the UJA you can call up your neighbor and say, you give more, too.

But you can't give less and tell your neighbor to give more. New York City has more than doubled what it gives. The Federal Government sends the signal to the private sector "Give more, give more; we are giving less."

This is a partnership, it is a six-way partnership, it is Federal, State, city, it is corporate, it is philanthropic, it is individual. It is an accordian, and the Federal compartment shrinks and they expect everyone else to make louder music.

Mr. MURTHA. What I am asking is in this period of time did the private sector also increase its contributions as you increased your contributions?

Mr. GELDZAHLER. It did in fact because institutions like Lincoln Center, Metropolitan Opera, Metropolitan Museum, budgets always increasing and their deficits are not increasing.

So that even though we play a very modest role in the total budget of those organizations, they have continued to get private-sector funding from all three elements of the private sector.

Let me add that I understand the private sector funding is actually Government funding in the sense it is all tax forgiveness. So if we have six ways of funding the arts in America, it is an incredibly good system, the Europeans are very often jealous.

The city fathers of Vienna came to see me a couple years ago and asked how come our average age is about 78 at the theaters in Vienna, and in New York you have a great spread?

I said because you have Government funding, period, and we have 70, 80, 90 theaters a night.

At the same time, a lady from a Polish magazine came and said, how come you don't have a national theater? I said, because we don't know how to do it yet. We are experimenting. We have black, Hispanic, avant gard, traditional theater, repertory theater.

Thank God we don't know how to do it. In time, like the Egyptians, we will freeze into one position and stay the same for 2,000 years, but that is not the American way.

The fact there is not one piper who plays the tune in America, the fact that if you don't get the money from here, you can go there is the strength of the system.

But it is not the indication that in a budget the size of the United States budget, that a cut of $40 million in a $170 million program is indicated.

New York State has about kept its funding at the same level. It's increased $35 million, maybe, not keeping up with inflation over the last 4 years. I cite New York as the model, but the City of New York, 90 percent of its funding goes to the unsexy things like operations.

It doesn't help the neighborhood theater, it doesn't help the small arts group. To the extent that it does, there is about $2 million a year that we have to fund those areas.

I find that those are the fragile areas. I call it tickle the sleeping giant. I call tradition the sleeping giant and the Metropolitan Museum can do Picasso shows for all time, the Metropolitan Opera can do Traviata and La Boheme for all time.

That isn't the point. The point is to keep the tradition alive. The sleeping giant, keep it alive by challenging it, putting new artists forward, by creating new audiences, by creating new interpretations.

We don't want to freeze into something that is called official culture which is all we will be able to afford if the funding continues to go down.

[The statement of Mr. Geldzahler follows:]

TESTIMONY BY HENRY GELDZAHLER

Commissioner, Department of Cultural Affairs

The City of New York

You have heard it many ways, but simply put, neither the private sector nor local governments can fill the fiscal gap which would result from any significant reduction in federal assistance -- the sudden disruption of 17 years of a bipartisan tradition of increases in funding of the arts. As government involvement in the arts stood trial last year, we were reminded that this entire principle is a new one in our national life. Nelson Rockefeller began the tradition in 1960 with the creation of the New York State Council on the Arts; in 1965, the National Endowments for the Arts and Humanities were formed. I worked for the National Endowment for the Arts from 1966 to 1970 and I know that this organization has grown not only in the extent of funding -- until the current fiscal year -- but also in its ability to respond to national, state and local needs. The Congressmen who put the original legislation together were clever, even wise, by including the provision that 20 percent of the money goes to the states. As a result, there are 50 state arts councils which, together, embody a national constituency unwilling to stand back and allow a new and uninformed administration to say over and over again, "We are going to cut you, but don't worry, you will find it all elsewhere." Chief executive officers of organizations are as patriotic as anyone, but if they see the President is not saluting, they are not going to stand up and salute twice as hard or shout their support twice as loud. In 1982, the possibility for tightening the ship was recognized, the cuts accommodated. However, this accommodation should not become a trend, and reliance upon alternative sources is precarious and illusionary.

The present administration first questioned the entire principle of the Endowments and created a committee, the President's Task Force on the Arts and Humanities, to review the history and the mechanism. It was Congressman Ted Weiss who, about a year and a half ago, gave me the best advice of all. Before I began serving on the President's Task Force, he cautioned, "Whatever you do, try to keep the skeleton in place. You can always put the flesh on the bones later. If the skeleton is disarticulated, you will never be able to build it again." Thus after honest debate the Task Force reaffirmed the "principle of diverse sources of public funding for the arts and humanities as expressed in the Endowments' enabling legislation." We first defended the Endowment concept and later fought the original Stockman proposal of cutting 50 percent of the budget. The professional community, the public at large, and the Congress responded to the need for federal involvement. We were all grateful and now we've returned to fight for maintenance of the current allocation not only for the dollars themselves but for the continued influence of the Endowments. These funds work as a catalyst. Awards encourage and attract other monies whether or not a formal match is required, like the institutional challenge grants which have been so helpful to many of New York City's most venerable cultural organizations and now are awarded across the nation.

Europeans are increasingly sophisticated about the way America funds. They no longer say, "Look, we have our Viennese Opera grants and theater grants." What they are saying to themselves now is, "Why is the average age of the people who come to the Vienna theater so high, and why can't we get the same kind of avant-garde theater in Vienna as they do in New York?"

One answer, of course, is that these nations don't have our extraordinary funding mix. They have a single piper who calls the intellectual tune. In America, we have six pipers. We have the federal, state, and city governments, the foundations, the corporations, and individuals. In order to make music, there has to be air in all of the pockets of the accordion. When one diminishes, another will be increased. It's by that shrinking and waxing and waning that the music is made. It works very well.

What we have to remember, though, is that the corporate, foundation and personal giving is tax forgiveness of sorts so there is a government of sanction in all six categories. The result is that individuals, avant-garde groups, and our very stable regional and international troupes do not have to cue their intellectual line to a single master. That is very important. It is a triumph of the American system of arts funding.

In New York City, this mix is alive and well, there has been a response to the President's mandate for creative alternatives and greater local involvement. We have lived up to our part of the bargain, the budget of the Department of Cultural Affairs under Mayor Edward I. Koch has grown dramatically during the last five years from $23 million to $46 million -- a doubling. Local support is growing, city residents -- through their elected officials -- are expressing their support for the arts and their recognition of government's proper role in this arena. Leaders recognize that cultural institutions and arts activities instill pride and good-will, they assist in commercial development, jobs, neighborhood stabilization and revitalization. In short, the public has grown to depend upon these components of our social firmament. New York City's Comptroller, Harrison Goldin, loves to quote Winston Churchill's stating in the first year of World War II that it is during times of trial and self-doubt that support for the arts must increase, because culture serves to underscore national identity and pride -- what we are fighting for and where we stand. The budget of the New York City Department of Cultural Affairs is second only to that of the National Endowment for the Arts.

However, much of the increase is mandated by OPEC and collective bargaining, since it goes for increased energy and labor costs at publicly-owned institutions. In fact, more than 90 percent of our budget provides general operating support at 29 such facilities. It is good that the city, in recognizing publicly-owned facilities as part of our infrastructure has, again, lived up to its part of the bargain, providing the backbone: maintenance, guardianship and energy. But there is little remaining for support of the myriad citywide and neighborhood cultural programs, and these programs are directly jeopardized by Endowment cuts.

The private sector has also fulfilled its part of the funding bargain -- its fold of the accordion. Although the best available data in this field are only extrapolations, it is clear that business support for the arts has increased substantially in the past fifteen years. A recent survey concludes that the business community provided $436 million in support of the arts in 1979, compared to $22 million in 1967. Inflation factors obviously reduce the increase, but the improvement is still vast. Establishment of the National Corporate Fund for Dance, for example, has not only generated substantial contributions from business, but also has helped legitimatize dance organizations as appropriate recipients of corporate philanthropy.

Despite this enormous response, it is foolish to assume that such growth will continue and that private giving is our salvation. According to figures released the other day by the most reliable of reporting agencies, the American Association of Fund Raising Counsel, private giving to non-profit organizations in 1981 -- that includes giving by individuals, corporations, foundations -- totaled $53.6 billion. Of that amount, $44.5 billion (or 83 percent) came from individuals; $3 billion (or 5 1/2 percent) came from corporations. The rest came from foundations and bequests. When we describe "private sector" giving, it should be clear that corporations represent a rather small portion of that private sector.

A second point. Of that $53.6 billion figure I just noted, the arts and humanities received $3.35, or about 6 percent of the total, a decline of 2/10 of a percent from 1979 and 1980 levels. Religion, education, health and social services programs all fared better.

A third point. Of the 2 1/2 million corporations in the country, less than a quarter of them made any contributions at all. Much of the corporate philanthropy has come from just a few of the major large companies in this country.

Finally, in 1970 it was estimated that U.S. corporations contributed a bit over 1 percent of their net income to charitable causes. In 1980, although the dollar amount of corporate contributions had increased, the percentage of income allotted to philanthropy remained at the same level, slightly over 1 percent. Last year, the percentage ceiling on corporate contributions was raised from 5 percent to 10 percent, but the actual levels of giving suggest that this change will cause little increase.

The well of creative alternatives is not bottomless. New York City and the public sector have responded and our rhetoric -- our love and devotion to our cultural life -- is buttressed with hard-earned dollars and cents. We are not idly looking to you either to bear excessive responsibility or to make up for regional failings. Our growing commitment must simply be sustained by partnership with the Endowments -- the mix that has made the United States of America the world's most culturally vibrant and artistically innovative land. I believe that we are living in a golden age of the arts, and our federal government must recognize this and not jeopardize this historical moment with further reductions. This is false economy.

Thank you.

Mr. YATES. That is a very good statement, Mr. Geldzahler, we appreciate your coming and giving us the benefit of your experience.

Mr. GELDZAHLER. I have other things in my written statement.

Mr. YATES. And your erudition was expressed in your oral statement.

Mr. GELDZAHLER. Thank you.

Mr. YATES. Thank you very much, it's very good of you.

FRIDAY, MAY 21, 1982.

PERFORMER PANEL NO. 2

WITNESSES

CHUCK DAVIS, DIRECTOR, CHUCK DAVIS DANCE COMPANY
MAX ROACH, JAZZ MUSICIAN
ANNETTE PARK, CHAIRMAN, IDAHO COMMISSION ON THE ARTS
JAN FONTEIN, DIRECTOR, BOSTON MUSEUM OF FINE ARTS
ROBERT WISE, FILM PRODUCER AND DIRECTOR

Mr. YATES. Mr. Davis, Mr. Roach, Ms. Park and Mr. Fontein.

Mr. Davis, we are glad to have you. Your statement will be put in the record.

Mr. DAVIS. For the record, in the beginning I would like to say good afternoon to you, Mr. Chairman, and to everyone else present.

I am Chuck Davis and I am the artistic director of the Chuck Davis Dance Company, based in the Bronx Community College.

I come here this afternoon wearing also several hats. I came to speak on behalf of the Trustee of Dance, USA, a service organization; as a member of Dancers, Incorporated, an organization of those dancers who are involved in the arts and education; Dance Africa, consortia of African American dance companies; director of Community Outreach for the American Dance Festival; member of the Selection Committee, Culture Diversity in the Arts, Kennedy Center; panel member, National Endowment for the Arts; and I am scared to death because I am representing all of those millions of people that the Endowment has made possible to reach.

For the record, you have my prepared statement, which I am not going to speak from because it's all been said. On the first page, though, it says, we who dance in the United States are enormously proud of the widely acknowledged international reputation of this country's many ballet and modern dance companies, I want that to say in this country's many dance companies, period.

I find it awfully hard to sit here. I have been having to sit and listen to all of these eloquent statements that have gone this way and that way and so forth and everybody is saying the same thing, save the arts, don't give the budget cuts, this and that, but no one has spoken on what the Endowment does, how it reacts out there in the community.

Now I am not going to get upset and get angry because I am; every time I think of it, I get mad.

I get mad because we are being penalized for being successful. I don't think that that's correct. The Government and whomever, and the people who argue against you, must be made aware of this.

Now, Mr. Chairman, may I please speak with a voice of authority in this room for two minutes.

Mr. YATES. Sure.

Mr. DAVIS. Okay, stand up. You know one thing, you know, we have been sitting and everything is beginning to swash, so can we all stretch for a minute.

Mr. YATES. Okay, good idea.

Mr. DAVIS. Pull those stomachs in, now lift up on your right side, only on your right side, and pull those stomachs in and as you reach, think that you are the Endowment, you are reaching right now, and you have this firm base.

Now with the other hand, reach even higher and realize that as a result of what you have given, you have caused this awakening to happen.

Now just let the arms drop. That is what happens with the budget cuts, all of a sudden you have nothing. Now bounce a little before you sit down there, all right.

You know, as artists, we go out into the field and my concern, Mr. Chairman, is—the Endowment has been responsible for making it possible for those corporations and what-not to also come into help fund different organizations and so forth, awareness.

That is the word that I want to look in on.

As a result, the children in different areas have become aware of the arts and thus by becoming aware, they have become a part of and because they are a part of, then comes the support. The recognition.

When they see Mr. Perlman with his violin, they don't see a man with a violin, they listen because they have been taught to by virtue of the fact that as a result of a few dollars that came from an organization which allowed an artist to go into a community and explain what that art form is, then they have become aware. Right?

I have just come from Baltimore, Maryland, where I saw one of the most incredible murals, right? I had to dance. I went right in front of it, I was so struck, I had to move. I am not one to hold my emotions in. They don't teach us that in North Carolina. We must let it out.

Okay. I left there, I went to another school and here were all these students that were learning clogging. That is a combination of traditional African dance form, Irish and Appalachian Mountain technique.

They were learning these and learning about where it comes from, a program that was inspired from moneys from the Endowment for the Arts.

Now, if you cut that off, those kids out there are not going to get that experience. Those adults that were involved along with their kids aren't going to get that experience.

You will have people standing around with their hands in their pockets, legs crossed, talking about what am I going to do next and what are we supposed to do about that?

We are supposed to increase the arts so when you go out there and talk to them, the fuel for your fire should be don't cut us 30 percent, add 50 percent so we can do 10 times more, my argument is over.

[The statement of Mr. Davis follows:]

Testimony Submitted

by

Chuck Davis

for

Dance/USA

Mr. Chairman, members of this distinguished committee, it is an honor and pleasure to appear before you today representing the spectrum of dancers and nonprofit, professional dance companies who together have become, in just a few short decades, one of our nation's most prominent artforms.

We who dance in the United States are enormously proud of the widely acknowledged international reputation of this country's many ballet and modern dance companies. And those of us who dance, choreograph and work to build and sustain dance companies are in like measure equally grateful for the leadership shown by the National Endowment for the Arts in supporting dance and helping develop audiences for our work in communities large and small throughout the country. We are also grateful to the Congress for its wisdom and generosity in providing the appropriations so vital to the Endowment's support of dance.

I speak to you from the perspective of my experience as a dancer, choreographer, teacher, artistic director of a dance company, member of Endowment panels and Trustee of Dance/USA, the national service organization for professional dance companies.

My purpose is to enthusiastically endorse the achievements of the Endowment and an appropriation of $163.7 million for Fiscal Year 1983. I do so with full knowledge that yours is not an easy task. You must be confident that precious tax dollars will be spent productively, where they are needed and where they will serve a clear national interest.

I hope you will agree that the past sixteen years of support for dance by the Endowment demonstrate a lasting, memorable contribution to the lives of millions of Americans and to the cultural legacy of our country.

Here are a few facts:

- the number and variety of dance companies -- ballet, modern, ethnic, mime -- increased from 30 to 400
- audiences for dance have grown from one million to over 40 million who attend live performances, with many millions more who view dance on television
- dance companies established home bases in over 100 communities and tour to hundreds more in every state of the union
- the artistic quality, creativity and diversity of American dance has made us the world leader in our artform

This dynamic growth should come as no surprise. America's love of dance arises for many reasons. I shall try to cite just a few. Certainly, as a nation, we have grown to have a much greater appreciation of art and culture. This is generally true. But dance has its own special meaning. We are a diverse people, sharing a common land and common social and political values. At the same time, we place a premium on individual expression and our right to be of and to identify with an astonishing diversity of cultural traditions. Ours is also a young nation, still restless with the physical energy and ranging curiosity with which our forefathers changed vast, uncharted spaces into productive communities.

Dance, as a universal language of movement, provides Americans with a creative opportunity, an athletic opportunity, to embody the energy of our spirit and the breadth of our traditions, intellect and curiosity. So the forms of dance range classical ballet and modern dance to jazz and tap dancing, from ethnic dance reflective of cultures that have come to this country from every continent to the most experimental dance works being developed anywhere in the world today.

And each of these fields of dance has benefited by the existence and attentiveness of the Endowment. Our companies are able to grow artistically and become administratively strong through support for touring, home season support, choreography and management improvements.

But we face challenges today of considerable proportions. Touring is becoming more and more expensive, and in the case of many, many companies is no longer a producer of net income. Its value is in continuing to serve audiences and keep companies performing together so that their dancers may work and repertory grow.

In a sagging economy plagued with temporary problems and long term changes such as skyrocketing fuel costs, sponsors find it costs much more to book tours and attract audiences.

These factors are particularly perilous for dance companies which exist with a high ratio of earned to unearned income, some with as high as 85 percent earned revenues. We are proud of these ratios. They prove that our companies, large and small, are attractive to audiences and that our administrative staffs and tour sponsors work effectively to promote our concerts. But from this portrait you can also understand the difficulties for dance when high costs or uncertain funding shorten or cancel tours. Add to this equation the threat of dramatically reduced contributed income -- grants -- from the Endowment and you can appreciate the level of concern expressed by people who cherish dance and who are anxious for its continued health and survival.

I shall not here discuss at great length the very real apprehension the dance community shares with its colleagues in the performing arts that other sources of contributed income -- corporations, foundations, individual patrons -- cannot fill the gap which would be left by reduced Endowment funds. I would ask that you refer to their testimony, to the statements of concerned corporate spokesmen and to the surveys completed by the Conference Board which underline our concern. Our friends in the corporate community, faced not only with reductions in government spending for the arts, but in education, health, public welfare and the sciences will be unable to respond with increased giving in equal proportions to the decreases in Endowment contributions.

I would note here an additional dilemma for dance, a product of its realtive youth. Only in recent years has dance become known and attractive as a candidate for corporate funding. Our average is improving. But I know that we would all breath more easily, especially we who direct smaller companies, were our track record of corporate support of longer standing than it is today.

Before I address my final points regarding the importance of the Endowment, I want to convey that dance companies are working overtime to develop new sources of earned and contributed income. We are out there making our case for a closer partnership between dance and the coporate sector. As professional dancers, artistic directors and managers, we are deeply concerned about our craft, our companies and our audiences. We are actively looking for ways to overcome the spiraling costs -- often as much as 40 percent a year -- in transportation, promotion, printing, postage, costums sets. Television, cable, packaged programming for home viewing are all under intensive review. With the help of our boards, communities and the Endowment, we are developing longer home seasons and and second homes. But these are initiatives that cannot happen over night, will arguably take years and are not possible for all companies.

We must always pursue a plurailty of funding sources and possibilities. This is a point both of principle and of wise practice. And none of what I am addressing here diminishes the special significance of the National Endowment for the Arts. To describe its role, I would make the following points:

* Leadership Over the past sixteen years, the Endowment judiciously developed a sound reputation for identifying and funding quality from a critical national perspective. It established the value and legitimacy of public funding.

* Funding Endowment funding is certainly important because dollars in support of the arts from any source

are precious. But there is another aspect to the character of Federal funding. It is dependable from year to year. This does not mean that individual companies are guaranteed support, but that the opportunity to compete is reasonably assured.

* Sensitivity Through the mechanisms of the National Council on the Arts and the peer panels, the Endowment stays in contact with dance and with its audience. Its programs respond to the needs, character and possibility of dance. The Dance Touring Program remains a signal, successful example of such innovation by the Endowment.

* Leverage In dance, there can be little doubt that Endowment funding leverages private and other public support both on the road where sponsors and state agencies use funds available for touring to attract added funding, and at home where it strengthens the repertory and administration of companies making them better able to develop audiences and contributed income.

* Planning Endowment support is determined a year in advance of the performance season. For example, applications for support of a season to begin in FY 1983, are reviewed in FY 81 and grants made from FY 82 funds. This is not simply a convenience, it is a necessity. Successful seasons must be planned a year in advance, artists booked and contracts worked out, along with a welter of other details.

Mr. Chairman, I hope my statement is helpful to the Committee in better understanding the affection we in dance feel for the Endowment, for its past contributions and to those we know it wishes to continue to make. I also want to convey not only our concern for dance as a program, but as a vital artform which is indebted to many programs: Dance, Interarts, Challenge, Media, Artists in Education, State Programs all have helped dancers and dance companies to develop and flourish.

And, finally, I hope that for myself and the thousands of people who dance and who support dancers and companies I have accurately portrayed the grave consequences that would occur were Endowment support for dance decreased by 30 percent or more. Thank you.

Mr. **Yates**. Very eloquent statement, sir.

Mr. Roach.

Mr. **Roach**. Mr. Chairman.

Mr. **Yates**. Mr. Roach.

Mr. **Roach**. I took something that is indigenous to this country, and made a career for myself. That is what we call jazz music.

I was born in North Carolina, the same place Mr. Davis was born in. My family migrated to New York, or rather came to New York during the Depression, brought all the children.

And I became familiar with this music in the streets of New York City. At that time, a young person who was interested in American musical art forms could learn music from people like Mr. Duke Ellington, Louis Armstrong, et cetera.

Coming to New York, I also attended Manhattan School of Music where I took some theory and to make a long story short, I am on the faculty of the Department of Music and Dance at the University of Massachusetts, Amherst. Just this past Sunday, I received an honorary doctorate from Munich Conservatory for what they say was my contributions to the musical art form that we call jazz.

I am saying that to say that we artists who are American artists and who produce music and other things that are indigenous to this particular area of the world that we are in, have never had the luxury of private or public funding.

Up until recently, I think we have been funded by the NEA and the Smithsonian for years. There are very few of us, there were very few of us who could match the talents of Duke Ellington and Glenn Miller and folks like that, because there was no place to actually learn the skills that were required to be a master in this particular musical art form.

I might also add that it is indigenous to this country and it is something that has become an American treasury in my time, I travel over the world, people ask what I do and I say I am a musician and they say what kind of music do I play, and I always say that I play good old American jazz.

But to have been able to forge a career out of this particular area of our music, to have been able to travel all over the world, to have recorded extensively and to have enjoyed the kind of success that I have has been done in spite of the fact that we have had no assistance during the years.

The way we have learned this particular art form has been by mouth to mouth, hand to hand, from the masters who preceded us, as I mentioned before.

And today, of course, since the National Arts Endowment has begun to fund indigenous American art forms and we do have the jazz program in the musical area of the NEA, that is why I am here.

They are the ones who asked me to come down and speak to you folks and to further the programs that have been instituted, even though with the small budget that they got from the music portion of the NEA.

I think they get about 10 percent of the $13 million or something like that.

But it has enhanced the dissemination of the skills and materials that we have needed to further develop this uniquely American musical contribution to the world of music.

We have a very modest master apprentice program where I am on the staff at the University of Massachusetts, we have a jazz major. The New England Conservatory has a jazz studies. You can get a degree in jazz studies, undergraduate as well as master's degree.

North Texas State is another.

So it's come out of the way we learned originally, which was in an environment that was not suitable to any creative endeavor. I am going to read a short statement that I wrote this morning to explain this.

This explains my feelings of what I am about and what this music is about. The USA is made up of many ethnic groups dispersed from all corners of the earth and the cultural sovereignty of this amalgam is unique.

It retained many important aspects of each group and cross-pollinated the same.

The prime examples of this fusion is reflected in the cultural fabric of our Nation and the unification of this diversity is what has kept the USA in the vanguard of profound cultural thought.

It is particularly evident in the area of music. For example, we have made significant contributions to the world of music in all its varied genres.

Oftentimes, our music has exemplified the best of the democratic process. The freedom it has allowed the musicians is akin to an emancipation.

If the music is annotated, it allows for freedom of personal interpretation. If the music is improvised, it allows the musician to create by exploring the musical architecture of a given piece in his own or her own inimitable fashion.

And the skills one has to acquire to demonstrate and facilitate this process is extremely demanding and it takes many years of hard work and personal sacrifice.

As I said earlier when I was growing up, the process to acquire the skills to become a master of these uniquely American musical art forms were taught, learned and practiced in environments that were hardly suited for any kind of creative endeavor.

Nevertheless, and in spite of many handicaps, our music has grown to become one of the USA's great treasures. Today, because of advanced technology, cost of living increases, inflation and many of the things I heard people talking about this morning here, and above all, the mass interest of all people in the world to learn and know more about our culture, it is incumbent upon you and your good offices to give as much aid as is necessary to continue our work.

Mr. YATES. Thank you very much.

Mr. ROACH. Thank you.

Mr. YATES. I appreciate it.

Ms. Park.

Ms. PARK. Mr. Chairman and members of the committee, my name is Annette Park and I am the chairman of the Idaho Art

Commission and I am very happy and honored to be here today to tell you a little bit about the arts in Idaho.

The written statement——

Mr. YATES. Will be a part of the record.

Ms. PARK [continuing]. Discusses the three barriers to accessibility to the arts in Idaho. Those would be economic, geographic, and attitudinal.

I would like to explain to you today the tools that we use to try to overcome some of these barriers.

One of the most important things we have to help with these issues of accessibility is human energy and resources. In the past 3 years, we have experienced a great deal of development and a lot of progress.

We have over 30 local arts councils now, we have new theater groups and dance groups, and music festivals. I would like to tell you about one active local arts groups in Salmon, Idaho, which is a very small community, if they stretch, they may have 3,000 people. It is just on the edge of the primative area.

But Salmon has a performing arts and a film series; they have an annual writers contest in cooperation with the local newspaper; they have dinner theater; they have a large summer festival and they have a lot of arts programs in the schools.

What makes this community exceptional is that only about 3 years ago, there was very little activity in that area. All of these efforts have been possible through lots of human effort, of course, and community cooperation, but also through the NEA Federal/State partnership through small grants to the council.

We think this is really progress.

Salmon is only one example of the results that come from recognizing human potential, coupled with public and private funding.

Another example would be one that offers high artistic excellence in the visual arts which can be noted in accomplishments of the Boise Gallery of Art, which you heard about earlier this week.

The Boise Gallery of Art is the only visual art institution in the State of Idaho and it serves not only Idaho, but northern Nevada and eastern Oregon, also.

The gallery has earned the honor of being one of the finest through its reputation for educational and exhibition programs. It is progressive and visionary and offers exhibitions of very high quality that would generally be found only in major population areas.

The Gallery serves over 200,000 visitors annually, and pays approximately $200,000 to artists in the form of prizes and purchase awards. We are very proud of that gallery.

We are only beginning to explore the artistic potential. We are just beginning to establish some mechanisms for exchanging ideas and information, forming advocacy groups, community networks and artistic alliances.

We are really beginning to experience the blossoming of the arts in Idaho.

There are also very many arts activities going on in the State, both independently and with partnerships with the commission. Most of the funding comes from the private sector.

This last year, $4 in private funds were generated for every $1 dollar awarded by the commission.

There are today very few organizations in our State that have achieved the professional standards necessary for direct funding from the NEA.

Similarly, the community sponsors are still in the development stages so that precludes direct funding.

The public financial assistance is available to these organizations only through the commission and its partnership with the NEA States program.

So this condition puts the commission in a very crucial situation. Every action that affects the commission becomes magnified in its translation down to the local level. Therefore, we are very concerned about proposed reductions in Federal arts scholars.

Without such support, we face not a limit to growth or a no-growth, but a decline situation for the arts in Idaho.

In view of the very rapid growth and interest in the arts, together with severely limited financial resources, the commission is determined that it must be both a service organization, with professional staff offering training and technical assistance, and also a funding organization.

We feel that we must assist in stimulating a healthy artistic environment.

Education provides a second solution to the barriers of accessibility. Before all of the citizens can participate in the arts, they must first of all recognize the value of arts.

That would include our legislators, also. Public visibility would be one vehicle for education and continued increased arts presentations would be another.

These vehicles, of course, for the public visibility, require development and utilization and also evaluation and our commission has really neither the personnel nor the financial assets to adequately fulfill those functions.

The educational opportunities for students take on a dynamic dimension if we are to build a strong appreciation and participation.

Our artists in the schools in the education programs through its residencies grant is one resource to assist in recognizing the value of the artists and the arts as a basic process for all individuals.

The commission's program has focused mainly on the rural schools in the State. The rural schools face two distinct disadvantages, first of all, they have extremely limited access to the cultural benefits of the more populated areas and, of course, their limited population base on which they get funds.

But through a modest grant from the Endowment, the arts and education program was able to assist 29 schools with 23 residencies during the past school year.

There are arts constituents that we really have been able to reach only in a very marginal way. The elderly in our country, I feel, receive too few arts services and programs.

Publicly supported arts agencies fail to initiate and fund projects designed for and by the elderly.

This is the case with all the special constituents.

Idaho has been able to provide a few significant services through grants from the NEA folk arts program. These grants provide for funding for a State coordinator who is responsible for the documentation and the presentation of folk artists and arts and these projects often involve the ethnic minorities and provide meaningful assistance to the special constituents.

These programs would be impossible without the support of the Endowment's folk arts program.

Finally, the third tool that the commission uses to overcome the barriers to accessibility is the proven catalytic nature of Federal arts dollars.

There are plenty of artists and no limits to the potential for excellent projects and activities in Idaho. However, there must be a significant financial resource available to achieve potential opportunities.

Federal arts dollars challenge the private and business sectors to contribute to the arts and also exemplify a strong presence in the leadership role.

That challenge has been met by arts groups in Idaho and it is beginning to create a more solid fiscal base for continued development.

Federal arts dollars are the most important factor for the growth of the arts in Idaho. I wish to thank you very much for the leadership and the support that you have provided in the past and I urge you to continue providing that national leadership in recognizing this Nation's creative treasury.

We must be responsive to the artists by helping create an environment in which they can flourish. I feel we also must continue to be responsive to our arts audiences by providing opportunities for access to the arts.

We must receive adequate backed funding at the Federal level. A budget in the amount of $163 million is certainly a small investment for the tremendous return it generates.

On behalf of our commission and the State of Idaho, I wish to thank you very much for the opportunity to be heard today.

[The statement of Ms. Park follows:]

TESTIMONY OF ANNETTE PARK
CHAIRMAN, IDAHO COMMISSION ON THE ARTS
ON BEHALF OF
THE NATIONAL ASSEMBLY OF STATE ARTS AGENCIES
BEFORE THE HOUSE APPROPRIATIONS
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
MAY 21, 1982

Idaho is beginning to explore its artistic potential, as evidenced by the emergence of new arts organizations, the artistic and managerial improvement of established arts organizations, and the rapid growth of local arts agencies. Arts audiences, too, have increased significantly in number. Until recently, funding (both private and public) also experienced a growth ratio that prophesized a grand future for the arts. Growth in funding for the arts, however, has been reversed and is currently a diminishing resource.

Idaho, recognized for its beautiful landscape, is populated with less than one million individuals residing in small geographically isolated communities. It is divided culturally, economically, and religiously into three sections. Geography and topography play a major role in these divisions, as well as population diversity, economics and political conservatism. Idaho is thirteenth is size in the nation but still larger than Maryland, Delaware, and the New England states combined. Central Idaho, a large primitive area, divides the state so completely that most surface traffic and all commercial air traffic between the north and south is diverted to adjacent states.

Accessibility to the arts and to audiences, therefore, becomes the paramount factor in the stimulation, encouragement, and support of the arts in Idaho. Increasing requests for technical and financial services document the growth in artistic resources and in expressed desires for arts activities in Idaho. However, accessibility to these services is hampered by three key barriers: 1) economic and financial - both perceived and real, 2) geographic, and 3) attitudinal.

The real economic barrier to the arts is reduced federal funding and embarrassingly low appropriations to the arts in Idaho. The Idaho Legislature appropriates funds to be used soley for administrative purposes; while the federal funds are the only source of grant dollars available to the state's arts organizations. For the past two years, the low state appropriation can be attributed to the following two conditions. First, the small population, the national economic policies and inflation, the large percentage of land owned by governmental agencies, and Idaho's tax laws contribute to a limited financial base. Much of Idaho's industry is in forestry, housing products, and mining. We are presently in the deepest recession in these industries since World War II. Therefore, high unemployment, mine and mill closures, limited business investment, and loss of profits adversely affect a positive revenue figure. Secondly, the state is financially wary of the transfer of responsibility for human services from the federal to the state level. Although this transfer is seen as a welcome opportunity, the state is uncertain as to the drain such action will have on state revenues.

The perceived economic barrier results from misunderstanding of the actual percentage budget cut to federal funding for the arts. The 50% proposed reduction in federal funds during 1981 created a sense of futility among arts organizations. While the actual funding reduction has had a negative impact, this misperception creates a situation of double jeopardy.

The disparity between geography and population size coupled with limited financial resources and increasing demands for arts services present continuous challenges to accessibility. The touring of performing arts groups has provided the best mechanism for access to arts activities for small, widely-dispersed population centers that are unable to support their own year-round professional resident companies. In responding to these geographic and population factors, the Idaho Commission on the Arts awards a significant percentage (30%) of its grant funds to touring activities. The remaining funds are awarded to the major arts organizations, local arts agencies, community arts groups and schools.

Since there has never been adequate funding for the arts in Idaho, one of the most valuable resources available to our arts community is the Western States Arts Foundation. The Foundation is a regional organization composed of ten western state arts agencies. Funded jointly by the National Endowment for the Arts, the state arts agencies, and contributions from the private sector, the Foundation plays an integral role in Idaho's touring program through fee support and technical assistance to companies and community sponsors. Additionally, the creation and growth of community networks (the key to cost-effective arts services) would be nearly impossible without the Foundation's partnership with Idaho.

While Idahoans exemplify the spirit of individualism and resourcefulness, we are still on the frontier of developing our arts resources. During the past three years, increasing numbers of communities and arts organizations have requested technical and financial assistance from the Commission. Unfortunately, the ability to honor these requests is diminishing due to inadequate staff and financial resources. In addition, the dearth of cultural facilities; the lack of opportunities for arts visibility and dissemination of information; and the inability to support new as well as existing arts organizations is inhibiting the artistic and cultural potential of this state. These conditions can be overcome through a strong and active Federal-State partnership, with the Federal partner providing adequate financial assistance and leadership.

The third barrier to accessibility is one of attitude. Negative attitudes surround the stereotype of the artist as a non-contributing and non-functioning member of society. Many fail to realize that the arts not only creatively celebrate life and represent our humanness but rather view the arts as a challenge to personal values and religious teachings. This frequently leads to actions of censorship. There is a lack of understanding of the educational and economic values of the arts; i.e., personal growth and enrichment; live-ability within an environment; attractiveness and necessity for industry location and relocation; tourism; and the fundamental right of everyone to have access to the arts. This Administration's attempts to help the arts have actually perpetuated these attitudes. Attitudes that can only be changed through education. Negative attitudes can further be dissipated with greater opportunities for accessibility to the arts.

There are few Idaho arts organizations that have sufficient artistic and managerial qualifications necessary to be eligible for direct funding from the National Endowment for the Arts. Thus, the Idaho Commission on the Arts plays a crucial role in the development and nurturing of new and existing arts organizations in the state. We cannot sustain further reductions in federal support and still function as a viable agency for our arts community. A further reduction in federal funds to the arts will have the following results:

- The Commission will be unable to provide adequate funding to even the most worthy and meritorious arts organizations and projects.
- The Commission will be unable to continue the needed technical assistance services to communities, artists, arts organizations, and schools.
- There will be significant limitations and curtailment of growth in existing arts organizations.

- There will be an uncertain and insecure future for new and experimental arts groups.

- Arts organizations will be faced with eliminating educational programs, exhibitions, publications, performances, and touring activities.

- Arts organizations will be faced with reductions in personnel, both artistic and administrative.

- Further reduction in federal arts dollars will create a less than healthy cultural climate in Idaho.

The development and management of arts resources significantly contribute to the quality of life in this state and to its economy. Arts activities attract visitors and new industries into the state; provide jobs; generate revenues through federal and state income and sales taxes; and through the purchase of goods and other services. Such economic activity is crucial to the well-being of Idaho. This state, however, needs and must rely upon the constancy of federal funds in order to continue the development and maintenance of its arts industry. Therefore, I urge you to support the budget figure of $163.7 million, determined by the National Assembly of State Arts Agencies, to be an adequate budget for the National Endowment for the Arts in 1983.

Mr. YATES. Thank you very much. We appreciate your very fine statement.

Mr. Fontein.

Mr. YATES. Mr. Fontein. We are glad to have you with us.

Mr. FONTEIN. Thank you, Mr. Chairman. I am Jan Fontein, Director of the Museum of Fine Arts in Boston; a native of Holland and the closest personal friend of my teacher was Mr. Van Loon whose name you mentioned this morning. I thought I should mention that because after serving for more than 15 years in a Government museum in my native Holland, I came to Boston where I worked at the Museum of Fine Arts and I have been privileged to serve as its Director since 1976.

In other words, I went from a 100 percent State-supported museum to one that I think can be best described as a 98 percent private museum.

And the very fact that you find me here before your committee today I think will demonstrate which side I prefer.

The Museum of Fine Arts in Boston is now in the 111th year of its history and it is one of the largest encyclopedic art museums in the country. It was built by generations of benefactors who were motivated by a love for the arts and by great civic pride. Founded by patrons with a firm belief in private enterprise, it is one of the few museums of its scope and size that does not receive any financial support from the city in which it was built and has never received such support.

Operating support from the Commonwealth of Massachusetts consists of less than 2 percent of our operating budget and in return for that privilege we admit all children free of charge.

I should like to make clear at the outset of my statement that if I express my deep concern about the recommendations of the Office of Management and Budget for the budget of the Endowments, I do not do so in order to plead for special privileges for the category of cultural institutions that I personally happen to represent.

On the contrary, many of our much younger sister institutions in other parts of the country are much more deeply affected by the projected budget cuts and very often they do not have the reserves in traditional support and goodwill that the older institutions have been able to accumulate over the years.

But rather than describing in detail the anticipated negative effect of the proposed budget cuts on cultural institutions all over the country, and we have heard eloquent statements to that effect this morning which I will not try to add to, I would like to emphasize the very beneficial impact that funding by the National Endowments for the Arts can have on such institutions. Especially noteworthy is the stimulus Endowment funding has provided for support from the private sector and I shall be brief but I did want to mention one or two cases.

In the case of my own Musuem of Fine Arts in Boston, the National Endowment for the Arts primed the pump of a capital fund drive with a $2 million grant, a fund drive that was brought to a successful conclusion after having raised 10 times that amount from private sources far exceeding the original 4 to 1 matching requirements.

This one-time grant and the support it solicited from the community has revitalized our institution, made it into the chief cultural attraction of the area and provided long-term protection by means of climate control to one of the country's great art collections, a heritage that is admired by people from all over the world.

We used the opportunity while the museum was closed for a renovation and for the installation of climate control to send our collections all over the world and they went all the way from China, Japan, to six or seven different States of the United States and were admired during the period that we had to close our galleries.

So, although a few weeks ago we had the one millionth visitor at the museum in a year, the first time that this happened in history it was, by the way, a young French woman, a student at Harvard University and all she said when the cameras started rolling was that she regretted that she hadn't gone to the hairdresser that morning.

A million people in Boston and perhaps more than 500,000 people outside, including 200,000 Chinese in one year, and all that was prompted by this grant from the Endowment that provided the inspiration for this particular project.

The collections are going to be saved by climate control. We always think in terms of climate control that it is wonderful on a steamy summer day, but climate control in museums is not for people, it is for the objects.

We have brought, over the last 100 years, objects to the United States from all over the world and most climates are better for the preservation of works of art than our very cold, dry winters and our very hot, steamy summers. It creates a real hazard for works of art.

That is one of the things that climate control can do and the contribution that the National Endowment for the Arts has made all over this country to museums to install climate control is something from which many generations will continue to profit.

That is what I see as a very positive side of the long-range of facts of our National Endowment.

There is no doubt that imaginative leadership, skillful public relations and simply hard work by our trustees and directors can persuade the private sector to shoulder some of the burden that the National Endowment for the Arts, as a result of the reduction of its funds, can no longer assume, especially with great popular appeal, the so-called blockbusters you have heard about so much and high visibility projects will continue to find, time and again, new corporate sponsors for the established larger and obviously more resourceful institutions.

But many of the smaller, often much more innovative institutions, are likely to find many more financial obstacles than ever on their way to serving their own communities.

And we should remember how important it is. You learn that as a director of a large museum, the value of the small institution in the smaller community. Those are the institutions whose survival is threatened by the reduction in the support at this moment.

All institutions, large or small, are deeply concerned, however, that other tasks, much less visible, yet even more crucial, that the

National Endowment for the Arts used to shoulder will not find other sponsors because of a lack of attraction and visibility.

In this respect I should like to mention three things: the conservation of works of art to which I have already alluded to in connection with the climate control, ensuring their continued availability for future generations and many of the objects have cracked and bleached and been torn since they came to this country because of the very inclimatic conditions.

Then there is the training of conservators to skillfully perform the essential task of conservation. The history of museums is littered with examples of incompetent conservation work done in previous generations and it is of great importance that this training program for conservators, which the National Endowment for the Arts has so successfully sponsored, continue.

And, finally, perhaps most crucial of all is support for curatorial interns that will bring to the museum profession the best leaders that we need for the future of our institutions.

Those are the things that will suffer.

Now, I should mention that several far-sighted foundations, and I would like to mention this case specifically, the Mellon Foundation, have already come to the rescue of the larger institutions and those that are specifically engaged in the activities that I mentioned.

We cannot reasonably expect these foundations or corporate sponsors to compensate for the loss of Federal support in these areas. For corporations the arts is, and should be, a two-way street, not charity alone. Sponsored by generous corporations, these exhibitions will continue. Large crowds will come to museums all over the country to see them, but the educational programs that make these museum visits a more meaningful experience for first-time visitors and new constituencies are likely to suffer for the reduced support of the Endowments.

Mr. Perlman mentioned this morning that he felt during the last few years a difference in audience when he was performing. Well, I don't perform but I walk through my museum on days when it is very busy and I too can see there is a new constituency.

We have managed, this figure of one million does not just represent a large number of repeats. It represents new audiences and that is the kind of thing that is going to be threatened if the cuts in the Endowments would really go through.

At the same time all these behind-the-scenes activities that I have mentioned that have no public visibility that ensure the continuity of our cultural life for future generations will have to be reduced, stunting the healthy growth of the larger institutions and directly threatening the survival of many of the smaller institutions.

I hope that your committee and the Congress as a whole will give consideration to the long-range future of all our cultural institutions, large as well as small and that you will support them and help us to preserve them.

We thank you for all the support you have given us in the past and hope that it will be possible to support this again in the future.

Thank you very much.

Mr. YATES. Thank you.

[The statement of Mr. Fontein follows:]

STATEMENT OF

JAN FONTEIN
DIRECTOR
OF THE
MUSEUM OF FINE ARTS
BOSTON, MA

MAY 21, 1982

I AM JAN FONTEIN, DIRECTOR OF THE MUSEUM OF FINE ARTS, BOSTON. FROM 1966 TO 1975 I SERVED AS ONE OF ITS CURATORS, SINCE 1976 I HAVE BEEN PRIVILEGED TO SERVE AS ITS DIRECTOR.

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. THE MUSEUM OF FINE ARTS IN BOSTON, NOW IN THE 111th YEAR OF ITS HISTORY, IS ONE OF THE NATION'S LARGEST ENCYCLOPAEDIC ART MUSEUMS. IT WAS BUILT BY GENERATIONS OF BENEFACTORS, MOTIVATED BY A LOVE FOR THE ARTS AND BY CIVIC PRIDE. FOUNDED BY PATRONS WITH A FIRM BELIEF IN PRIVATE ENTERPRISE, IT IS ONE OF THE FEW MUSEUMS OF ITS SCOPE AND SIZE THAT DOES NOT RECEIVE ANY FINANCIAL SUPPORT FROM THE CITY IN WHICH IT WAS BUILT. OPERATING SUPPORT FROM THE COMMONWEALTH OF MASSACHUSETTS CONSISTS OF LESS THAN TWO PERCENT OF OUR OPERATING BUDGET.

I SHOULD LIKE TO MAKE IT CLEAR AT THE OUTSET THAT IF I EXPRESS MY DEEP CONCERN ABOUT THE RECOMMENDATIONS OF THE OFFICE OF MANAGEMENT AND BUDGET FOR THE BUDGET OF OUR TWO NATIONAL ENDOWMENTS, I DO NOT DO SO IN ORDER TO PLEAD FOR SPECIAL PRIVILEGES FOR THE CATEGORY OF CULTURAL INSTITUTIONS

THAT I HAPPEN TO REPRESENT. ON THE CONTRARY, MANY OF OUR YOUNGER SISTER INSTITUTIONS IN OTHER PARTS OF THE COUNTRY ARE MUCH MORE DEEPLY AFFECTED BY THE PROJECTED BUDGET CUTS, AND VERY OFTEN THEY DO NOT HAVE THE RESERVES IN TRADITIONAL SUPPORT AND GOODWILL THAT THE OLDER INSTITUTIONS HAVE BEEN ABLE TO ACCUMULATE OVER THE YEARS.

HOWEVER, RATHER THAN DESCRIBING IN DETAIL THE ANTICIPATED NEGATIVE EFFECT OF THE PROPOSED BUDGET CUTS ON CULTURAL INSTITUTIONS ALL OVER THE COUNTRY, I WOULD LIKE TO EMPHASIZE THE BENEFICIAL IMPACT THAT FUNDING BY THE NATIONAL ENDOWMENTS FOR THE ARTS AND THE HUMANITIES CAN HAVE. ESPECIALLY NOTEWORTHY IS THE STIMULUS ENDOWMENT FUNDING HAS PROVIDED FOR SUPPORT FROM THE PRIVATE SECTOR. IN THE CASE OF THE MUSEUM OF FINE ARTS IN BOSTON THE NATIONAL ENDOWMENT FOR THE ARTS PRIMED THE PUMP OF A CAPITAL FUND DRIVE WITH A TWO MILLION DOLLAR GRANT, A FUND DRIVE THAT WAS BROUGHT TO A SUCCESSFUL CONCLUSION AFTER HAVING RAISED TEN TIMES THAT AMOUNT FROM PRIVATE SOURCES, FAR EXCEEDING THE ORIGINAL FOUR TO ONE MATCHING REQUIREMENTS. THIS ONE-TIME GRANT AND THE SUPPORT IT SOLICITED FROM THE COMMUNITY HAS REVITALIZED OUR INSTITUTION, MADE IT INTO THE CHIEF CULTURAL ATTRACTION OF THE AREA, AND PROVIDED LONG-TERM PROTECTION BY MEANS OF CLIMATE CONTROL TO ONE OF THE COUNTRY'S GREAT ART COLLECTIONS, A HERITAGE ADMIRED BY PEOPLE ALL OVER THE WORLD.

THERE IS NO DOUBT THAT IMAGINATIVE LEADERSHIP, SKILLFUL PUBLIC RELATIONS AND FIRM PERSISTENCE BY THEIR TRUSTEES AND DIRECTORS CAN PERSUADE THE PRIVATE SECTOR TO SHOULDER SOME OF THE BURDEN THAT THE NATIONAL ENDOWMENT FOR THE ARTS, AS A RESULT OF THE REDUCTION OF ITS FUNDS, CAN NO LONGER ASSUME. ESPECIALLY PROJECTS WITH GREAT POPULAR APPEAL AND HIGH VISIBILITY WILL CONTINUE TO FIND NEW CORPORATE SPONSORS FOR THE ESTABLISHED, LARGER AND MORE RESOURCEFUL INSTITUTIONS. MANY OF THE SMALLER, OFTEN MORE INNOVATIVE, INSTITUTIONS ARE LIKELY TO FIND MORE FINANCIAL OBSTACLES THAN EVER ON THEIR WAY TO SERVING THEIR COMMUNITIES, AND FOR MANY THE PROPOSED REDUCTIONS POSE A DIRECT THREAT TO THEIR SURVIVAL.

ALL INSTITUTIONS, LARGE OR SMALL, ARE DEEPLY CONCERNED THAT OTHER, MUCH LESS VISIBLE, YET EVEN MORE CRUCIAL TASKS OF THE NATIONAL ENDOWMENT FOR THE ARTS WILL NOT FIND OTHER SPONSORS. IN THIS RESPECT I SHOULD MENTION THE CONSERVATION OF WORKS OF ART, ENSURING THEIR CONTINUED AVAILABILITY TO FUTURE GENERATIONS, THE TRAINING OF CONSERVATORS TO SKILLFULLY PERFORM THESE ESSENTIAL TASKS, AND THE SUPPORT FOR CURATORIAL INTERNS, THAT WILL BRING INTO THE MUSEUM PROFESSION THE BEST LEADERS FOR THE FUTURE OF OUR INSTITUTIONS.

IT IS TRUE THAT SEVERAL FAR-SIGHTED FOUNDATIONS HAVE ALREADY COME TO OUR RESCUE, BUT WE CANNOT REASONABLY EXPECT OUR CORPORATE SPONSORS TO COMPENSATE FOR THE LOSS OF FEDERAL SUPPORT IN THESE AREAS. FOR CORPORATIONS SUPPORT FOR THE ARTS IS, AND SHOULD BE, A TWO-WAY STREET, NOT CHARITY ALONE. SPONSORED BY GENEROUS CORPORATIONS EXHIBITIONS WILL CONTINUE TO ATTRACT LARGE CROWDS TO MUSEUMS ALL OVER THE COUNTRY. BUT THE EDUCATIONAL PROGRAMS THAT MAKE THESE MUSEUM VISITS A MORE MEANINGFUL EXPERIENCE FOR FIRST-TIME VISITORS AND NEW CONSTITUENCIES, ARE LIKELY TO SUFFER FOR THE REDUCED SUPPORT OF THE ENDOWMENTS. AND AT THE SAME TIME ALL THE BEHIND-THE-SCENES ACTIVITIES, THAT HAVE NO PUBLIC VISIBILITY, BUT THAT ENSURE THE CONTINUITY OF OUR CULTURAL LIFE FOR FUTURE GENERATIONS, WILL HAVE TO BE REDUCED, STUNTING THE HEALTHY GROWTH OF THE LARGER INSTITUTIONS AND THREATENING THE SURVIVIAL OF MANY OF THE SMALLER INSTITUTIONS THAT ADD SO MUCH TO THE INFINITE VARIETY OF OUR CULTURE.

I HOPE THAT YOUR COMMITTEE AND THE CONGRESS AS A WHOLE WILL GIVE CONSIDERATION TO THE FUTURE OF ALL OF OUR CULTURAL INSTITUTIONS, THE LARGE AS WELL AS THE SMALL, AND THAT YOU WILL SUPPORT THEM AND HELP US TO PRESERVE THEM.

Mr. YATES. Well, you are the culmination, Mr. Wise.

Mr. WISE. Thank you, Mr. Chairman.

I am Robert Wise, a film director-producer and a former member of the National Council on the Arts.

It has occurred to me that I might mention that before I started directing I was a film editor. I thought it was about time I applied some of my editing techniques and get on with the show and get to the finish with my windup here.

I admire your patience and your endurance. My saying that is no reflection on the preceding witnesses because what I am really trying to say is that I thought they had covered everything so beautifully that there is no point in my being redundant in all of those areas so well articulated and so beautifully stated. I just wanted to comment on that.

I did want to underline a couple of things that were said. One about the feeling of Mr. Saunders and others that very definitely the private sector could not make up the difference.

I feel that very strongly myself and I wanted just to reinforce that.

The other one is something that Chuck Davis so marvelously spoke of and that is getting the arts out there to the people in the neighborhoods.

It seems to me in the mandate of the legislation back in 1965, one of the strongest points was not only support for the established institutions, but to get the art out there to the people in the communities, the neighborhoods and the cities, not just the big cities around the country but in the towns.

That was one of the reasons when I was on the Council I was such a strong supporter of expansion of the program because I thought it was doing that part of that mandate very well.

I guess I was on the Council in kind of a golden time, 1970 to 1976. That was an era where the funding every year was upped regularly without any question and it was a time that I was able to firsthand observe and be involved in the impact of all those increasing grants and regular grants and the expanding range of grants was having on people all around the country. It was terribly exciting.

I had some experiences myself at home with a little theatre called the East-West Players, some Asian actors who put together this organization a number of years ago who featured Chinese, Japanese, now Vietnamese, Filipino, and Korean. They were going along and struggling along and thorugh small grants they had gotten from the Endowment over the years they have just increased so much the capability of what they are doing, teaching, outreach programs, touring around the States.

The Intercity Cultural Center downtown in the City of Los Angeles, this is also true.

My chairman at the time I was on the Council every year we took one of our Council meetings, which usually lasted 2½ days, to some city around the country to expose the Council to the local art scene and the art scene to the Council.

I found that so exciting and so helpful in terms of what we were doing and where we were going. We went to Seattle, Minneapolis, Baltimore, and San Antonio. It was so exciting to see firsthand what our grants were doing with the arts groups, the mime groups, the orchestras, the dancers, the sculptors, musicians.

It was so exciting for us all to see. It has kept up that way, I think, all the way through until last year. And now the cutbacks are general throughout all the arts and if this budget cut is accepted as proposed by the Administration, it is just going to be catastrophic.

Just firsthand, I have recently become the Special Consultant to the American Film Institute. For the last 6 weeks I have been out on the coast at their center out there, and early in this week, I have gone through, and met the program directors, examined the programs, talked to them about it and I have met a very, very dedicated, enthusiastic and hard-working group of people.

The programs are improving marvelously but they are all absolutely stretched to the limit. They are almost panting. They had to have their staffs cut back. They are working nights, Saturdays, weekends, to try to make up the difference of lack of staff. They are just short and the feeling around the Film Institute is that if a cut goes through this year of any consequence, any size, they are just going to have to maybe drop one or two of their programs.

They are all marvelous programs but, once again, it is getting film and TV out there in the country to the centers which were only made possible through the help of the National Endowment since the 1960's. Many of them are struggling for their existence. A few of them have gone under already because of the cuts in this year.

A couple of cases in point. It seems to me, too, that the Administration is not taking into consideration the increased costs up and down the line. Every place you turn the budgets are getting out of hand because of increases in cost.

I sat on a board budget meeting the other day to go through the balance of 1982 to the end of June and the 1983 budget and our financial officer pointed out a $100,000 deficit right off the bat that was unexpected from the first of the year. It was the postal rates. Second-class mail went up double in January and it just knocked a hole of $100,000 right there in the budget and they are scrambling for every dollar they get.

How are they going to make that up?

Another program that is very dear to many of us is preservation. It is a very vital program to preserve our heritage of the 20th century art form. Of course, the AFI has been a leader in working on preservation and doing everything they can but, once again, because of the cut of last year they had to go into this 1982 budget because they had $108,000 less to deal with.

In a situation that is getting increasingly desperate, particularly when we get to the area of trying to preserve the color. The color, as you know, just deteriorates tremendously. Much work needs to be done. Without more funding from the NEA to the other archives that is going to suffer and suffer and we are going to lose a lot of that important part of our heritage.

I can only conclude by thanking you and your committee for your great support and echo what has been said here. We very desperately need for you people to help get the $160 million this year.

[The statement of Mr. Wise follows:]

May 21, 1982

STATEMENT TO THE HOUSE INTERIOR APPROPRIATIONS SUB-COMMITTEE

My name is Robert Wise. I am a motion picture director-producer. I was a member of the National Council on the Arts from 1970 to 1976, Chairman of an NEA Media Arts Panel dealing with the American Film Institute from 1976 until a few weeks ago. I have recently become a special consultant to the American Film Institute and a member of its Board of Trustees.

I was on the National Council at a period when the funding for the National Endowment for the Arts was increasing regularly and sizeably year after year. I was involved in and able to experience first-hand the tremendous impact the growing size and range of the NEA grants were having on all the arts and art institutions in all parts of this country. It was a most exciting, creative and involving time for the arts and for the people of this country. And it continued to be so until the last year.

Now the cutbacks already in place in the funding of the Endowment and the additional cut being proposed by the Administration for the 1983 budget, are having a devastating effect on all the arts throughout the country. Much that was finally gained, at long last, in Government support of the arts, is threatened. Serious cutbacks will have to be made in hundreds of programs throughout the country, and the growing and rich and all-important cultural life of our people will suffer enormously.

I know that this Committee has heard a great many statistics reported over these microphones, so I am not going to dwell on those to any extent, but I would like to comment on one area of the National Endowments' grants that I have particular interest in because of my film background and my involvement with the American Film Institute. That area is the Media Arts Centers and Independent Filmmaker Grants.

The media arts program of the National Endowment for the Arts has provided public access to film as an art form and to the growing art of video which together are the youngest of the art forms. It was not until the late Sixties, with the emergence of the National Endowment, that funding was available for these regional programs to bring film to the public in a sort of library setting where people can study it as an art form and see that it is a great and living art form of our country.

The NEA media arts program and the American Film Institute have also been supportive of the work of independent filmmakers, those who don't live in Hollywood and don't aspire to become Hollywood filmmakers but aspire to express themselves in the art form based upon a personal vision.

The NEA program has always been supportive of the education of the public with respect to film and video as an art form and has supported the growth of media centers throughout the United States.

Media arts organizations - those dedicated to film, video and radio - are relatively new on the American arts scene and thus are less diversified in their funding sources than the more established arts. The 110 member organization of the National Alliance of Media Arts Centers largely exist on earned income (70 percent) and state and federal grants (30 percent). Although they are actively seeking to develop unearned income sources from the private sector (through setting up endowments, seeking corporate donations, and developing projects through private foundation support), it is proving impossible already to find private-sector support to fill the gap created by cutbacks in government funding. Consequently, the organizations are faltering. They are cutting back on popular public service programs and some of the organizations, the Main Alliance of Media Artists being only the most recent, are going under.

The Media Centers are also concerned that the Administration, while claiming only to be slowing the growth of federal spending, in fact is curtailing the growth of funding for the arts. The budget of the National Endowment for the Arts dropped from 157 million dollars in fiscal '81 to 143 million in fiscal '82. Only a strong stand by the many supporters of arts funding in Congress prevented the Administration from succeeding in its goal of cutting NEA funding in half.

The Media Centers are concerned that the Economic Recovery Act of 1981, with its powerful disincentives for charitable giving, will contradict the Administration's call for support from the private sector. As the Report to the President from the Task Force on the Arts and Humanities indicated, ERTA, combined with cutbacks in public support for the arts and continued inflation, could severely affect the ability of the nation's art institutions to survive. Those in the field of media arts are particularly vulnerable due to their lack of alternative funding sources.

Finally, the media arts are in a particularly sensitive position due to the considerable amount of experimentation going on in the field. The new and different, although it should be the first to find public support, often is shied away from in conservative times. These artists and institutions are on the cutting edge of developments in the new technologies of video art, cable television, low-power television, and experiments in sound and light that may have revolutionary implications for future generations. But since they are involved in new areas, the work is not always immediately understood or appreciated. They hope that in the immediate future, the government will not place its priorities too heavily in the areas of the more established arts.

The cut in last year's funding, combined with double-digit inflation, severely impacts such a delicate area of the economy as arts funding. Thus far, there is no sign that the private sector can or will make up the gap. It is of vital importance to the arts and to the people of this country that no further cuts be made in the NEA funding.

I urge this Committee to recommend funding for 1983 for the National Endowment of the Arts at a figure no less than the one it voted and fought for in the 1982 budget.

Thank you very much.

Mr. YATES. You said it very eloquently. Thank you very, very much.

At this point, we will enter into the record the statement of the American Symphony Orchestra League.

Thanks to all of you. Now we can all stretch.

[The statement follows:]

TESTIMONY SUBMITTED BY THE

AMERICAN SYMPHONY ORCHESTRA LEAGUE

Mr. Chairman and members of the Committee, this statement is submitted to the House Subcommittee on Interior Appropriations on behalf of America's 1572 symphony and chamber orchestras represented by the American Symphony Orchestra League.

America's symphony and chamber orchestras are a unique cultural resource providing the highest quality symphonic music to more than 23 million listeners in communities across the country. America's orchestras are as diverse as they are numerous. They range in budget size from $400 to $16 million. In age, they range from the New York Philharmonic, which was founded in 1842 and recently played its 10,000th concert, to the San Francisco Symphony Youth Orchestra, founded in 1981. They are located in large cities like Chicago and Philadephia as well as in communities like Bremerton, Washington and San Angelo, Texas. They play concerts in stunning new concert halls and in high school gymnasiums.

But all orchestras, no matter how old or what budget size, share a commmitment to provide the highest quality concert music for their communities. In addition to their performances in concert halls, orchestra musicians teach school children of all ages, play free concerts in parks, shopping centers, hospitals, or community centers, and collaborate with other local performing arts groups in providing a full range of artistic activities. In doing so, they are the cultural as well as musical centers of their communities.

In testimony before this subcommittee last year, witnesses described the importance of the National Endowment for the Arts to the development of orchestras in the past ten years. With the leadership, encouragement, and financial support of the Endowment, orchestras experienced unprecedented growth in quality of performance, dedication to community service, and financial health during that decade. When considering the growth of orchestras, the importance of the National Endowment for the Arts cannot be underestimated.

Last year, this subcommittee looked closely at the Arts Endowment and ultimately adopted a FY 1982 appropriation of $143.0 million. This year, we ask the subcommittee to adopt a budget of $163.7 million, an increase of 14 percent over the 1982 mark. This increase is identical to the one requested by the President, who recommended a FY 1983 Endowment budget of $100 milllion, a 14 percent increase over the FY 1982 proposal of $88 million. We believe that an appropriation of $163.7 million is fiscally responsible—it fits the administation's guidelines for fighting inflation, yet is sufficient to allow the continued growth in quality and service the Endowment has helped foster.

Our statement last year before this subcommittee focused on the growth of orchestras as an industry during the past ten years. This year, in the following pages, we emphasize the importance of the federal dollar to orchestras by describing specific programs supported by Endowment grants. It is our belief that these programs have flourished with this support, that they will be jeopardized by further reductions in Endowment budget, and that private sector sources, particularly coporate donors, cannot and will not make up the funds cut by the government.

THE IMPORTANCE OF FEDERAL SUPPORT FOR THE ARTS

In 1981, for the first time since the National Endowment for the Arts was created sixteen years before, the concept of federal government support for the arts was challenged by the administration with a budget that labeled the arts a "low-priority."

At hearings in Congress before this subcommittee and the Subcommittee on Postsecondary Education, the importance of federal government support for the arts was strongly reaffirmed. Even the President's own Task Force on the Arts and the Humanities, appointed to review the two Endowments, concluded, "There should be Federal funding for the arts and the humanities."

In its report, the Task Force noted, "There is a clear public purpose in supporting the arts and the humanities: the preservation and advancement of America's pluralistic cultural and intellectual heritage, the encouragement of creativity, the stimulation of quality in American education, and the enhancement of our general well-being. These public purposes are well served by the diversity of sources of support, from the private, voluntary, and governmental sectors."

Federal government support for the arts as shown by the continued funding of the National Endowment for the Arts is a commitment to and a reaffirmation of the arts as a central element of our society. John Williams, composer and music director of the Boston Pops Orchestra, told this subcommittee last year, that the arts are "the fabric of our culture." The arts, he noted, are "really the bones and the muscle, the spirit of our civilization." That is also a priority shared by the President who, when he received the report from the Presidential Task Force on the Arts and Humanities said, "Nations are more often than not remembered for their art and thought."

Support for the National Endowment for the Arts is a commitment to that spirit. It tells our people and our businesses, state and local governments, other nations, and our artists that the arts are a national priority. It is a commitment to our society's culture and a message that tells others that the arts are worthy of support.

Endowment funding has stimulated dramatic increases in financial support for the arts from all other sectors of the nation. This committee has heard from many witnesses that the leadership of the Endowment helped spur business giving to the arts — according to Business Committee for the Arts, such support increased from $22 million in 1967 to $436 million in 1979.

The key to this growth has been a partnership between government and all arts donors. Martin Segal, chairman of the board of Lincoln Center for the Performing Arts, in a recent presentation in New York outlining a new strategy designed to increase business support for the arts, remarked, "The arts have flourished well in this country because they are supported by a unique — indeed extraordinary — combination: government, business, foundations, and the public."

All donors, private and public, have responded to the challenge to match Endowment grants. Program funds that require a minimum match of one to one and Treasury funds that must be matched three to one are more typically matched by four or five private dollars. And Challenge Grants, which must be matched by three new non-government dollars, are more often matched by eight or nine.

Equally important to this increase is the Endowment peer panel review system that awards grants on the basis of excellence alone and tells potential donors that an organization has achieved a nationally recognized level of quality.

Because of this partnership, support for orchestras from corporate, individual and foundation donors is at an all-time high. Last year, according to data collected by the

American Symphony Orchestra League, orchestras raised $18.5 million from corporations, $51.0 million from individuals, and $7.9 million from foundations.

Grants from the Arts Endowment allow orchestras to experiment, improve artistic quality, and develop those programs that do not easily attract contributions from businesses and individuals, that support more often being reserved for traditionally popular programs. Noted arts patron Mrs. John D. Rockefeller, III said recently in New York, "Corporations have been reluctant to support anything avant-garde or experimental in the arts."

Those sentiments were echoed in testimony earlier this year before the House Subcommittee on Post-secondary Education. League Board Member and Albany Symphony Orchestra President Peter R. Kermani said, "Financial support from the Endowment gives us the courage and financial stability to do the important things for the arts that we could not normally do. Because the Albany Symphony Orchesta is supported by grants from the New Music and Orchestra Programs of the Endowment and has received a Challenge Grant, we have been able to plan programs and activities that do not easily attract corporate or individual support. Generally that support has been reserved for more traditional and visible projects."

For orchestras, support from the Endowment has helped foster an unprecedented commitment to community service. Some of the activities orchestras now receive Endowment grants for include education programming, free concerts, touring, and new music performance. Grants for additional rehearsal time and important administrative support have helped increase artistic quality. From the initial seed support provided by the Arts Endowment, as matched by local sponsors, many of these programs have become fixtures in their communities.

The following are but a few of the diverse programs offered by orchestras and supported by the Endowment. They are but a small sample. The orchestras represented are large and small, from every region of the country. They share a commitment to quality and service, and all are supported in part by grants from the National Endowment for the Arts.

MINORITY TRAINING PROGRAM
LOS ANGELES PHILHARMONIC ORCHESTRA

In Los Angeles, California, a grant from the National Endowment for the Arts, as matched by local corporate and foundation sponsors, is helping to train minority musicians for careers in orchestras. The Orchestral Training Program for Minority Students, administered by the Los Angeles Philharmonic Orchestra since 1973, grew out of a concern by the orchestra's Executive Director Ernest Fleischmann and Music Director Zubin Mehta about the shortage of available minority orchestra musicians, owing not to a lack of talent, but rather to a lack of opportunity and training. The program was developed by the orchestra to "encourage and assist musically talented instrumentalists from Los Angeles' various minority communities to train for careers with professional orchestras through the study of advanced techniques and repertoire with members of the Los Angeles Philharmonic Orchestra."

The program combines personal study for students with Los Angeles Philharmonic musicians with ensemble playing and other opportunities to gain performance experience and familiarity with the orchestra repertoire. In addition to their training, most students participate in local orchestras. Participants attend rehearsals and performances of the orchestra to learn the duties of a professional musician. The program is open to all minority musicians with the artistic ability and potential, regardless of need.

The program has been an outstanding success in preparing talented minority musicians for careers in orchestras. Alumni of the program now play in orchestras in New York, San Diego, Pittsburgh, Phoenix, New Haven, San Francisco, and Toronto, while many others play in smaller groups. Ninety students are currently enrolled and forty-five others work with student teachers. The program has also served as a model for a similar program now being administered by the Oakland Symphony Orchestra.

According to Fleischmann, "The program has successfully developed talented minority musicians who might never have had an opportunity to grow musically because of their financial limitations. The program's success has encouraged more minority instrumentalists to think of an orchestral career.

"Like many innovative activities, the Minority Training Program was started on an experimental basis. However, the orchestra could not support the program entirely from its own resources. Without a grant from the Endowment, the program could not have continued to grow and would not be as successful as it is today."

STRING TEACHING PROGRAM
JACKSON (MISSISSIPPI) SYMPHONY ORCHESTRA

In Jackson, Mississippi, school children are taught to play string instruments in a special program administered and staffed by the Jackson Symphony Orchestra with a grant from the National Endowment for the Arts. The schools have few funds to support full arts education programs, but with assistance from the Endowment, as matched by the school districts, nine musicians and a full-time education director from the orchestra teach classes in the local schools in Jackson and five surrounding counties, providing two lessons per week for students.

Jackson's string program, which has been singled out as one of the two finest in the country, began with a small Endowment grant twelve years ago to fund performances by a string quartet in the local schools. Today, 600 students in fifty schools take lessons, and seven youth and school orchestras have been created to provide performance training. Several of the program's participants now play with the Jackson Symphony Orchestra.

Interested students are taught in their schools by Jackson Symphony Orchestra players, with the lessons arranged around regular school studies. Classes are taught where space is available, often in a school cafeteria or auditorium.

Jackson Symphony General Manager Carolyn Newton credits the Endowment grant with being instrumental in helping the program begin and prosper. Because the program earns no income, it is completely dependent on grant income. Newton fears that with the Endowment grant for 1982 already reduced, the program may have to be altered or cut. She said, "The teachers are already overextended. Unless we can find a source to replace the funds lost from the grant, the program will have to be cut. With futher cuts in Endowment support, even fewer children would be able to participate."

This unique program plays a central role in Jackson and offers many youths a fresh perspective and new hope. As one string program student who now hopes to pursue formal music training at a conservatory after high school noted, "The string program has given me a career goal I never would have had in a million years."

CONTEMPORARY MUSIC PROGRAMMING
ALBANY (NEW YORK) SYMPHONY ORCHESTRA

In Albany, New York, grants from the National Endowment for the Arts have helped support a unique commitment to the living art of music through the performance of contemporary works. Although a small orchestra in upstate New York, the Albany Symphony Orchestra has attracted international recognition because of its commissioning and programming of new symphonic compositions, and its tradition of playing works that have not been heard after an initial performance.

According to Peter Kermani, the orchestra's president, in testimony earlier this year before the House Subcommittee on Postsecondary Education, "These activities are supported by the National Endowment for the Arts, and without that support they might not occur."

In the past five years, nearly half of the works performed by the orchestra were written by 20th century composers. In the programs, works by eighteen American composers were represented. The orchestra gave four world premieres, three of which were works commissioned by the orchestra, and two North American premieres. This season, the orchestra initiated a special series dedicated to compositions written by Pulitzer-prize winning composers. For an orchestra with a budget of only $400,000, this is a remarkable achievement.

The commitment to contemporary music is vital to the continued growth and development of the art. For composers to develop, they must hear their music performed live. For musicians and music directors to grow and be challenged, they must be exposed to new music, ideas, and concepts. And, for audiences to grow, they must be exposed to tomorrow's classics. If today's music is to be left as a legacy for the future, it must be emphasized and nurtured now.

Financial support from the Endowment is important because new music is so expensive to perform and it does not have the box office draw of the standard repertoire. New music must be rented, royalty fees must be paid, and, because the scores are unfamiliar, extra rehearsals must be scheduled.

With the support of the Endowment, the Albany Symphony Orchestra and other American orchestras have made a commitment to contemporary music. But, according to Kermani, "If support from the Endowment is cut any futher, it is our services for the living art that will suffer. It is the grants from the Arts Endowment that allow us to experiment, to be bold, and to grow. Without this support, we could not afford to take chances and attempt this innovative programming."

STATEWIDE TOURING PROGRAM
NEW MEXICO SYMPHONY ORCHESTRA

A goal of the National Endowment for the Arts is to provide access to the arts for all Americans. In New Mexico, funds from the Endowment help bring live concert music to the entire state. This year alone, the New Mexico Symphony Orchestra, now celebrating its 50th anniversary, will travel more than 6,000 miles throughout the state, the nation's fifth largest in area although it has a population of only 1.3 million people. In addition to playing a full subscription series in its home base of Albuquerque (population 331,767), the orchestra plays in Hobbs (population 28,794), Grants (11,451), Raton (8,225), Socorro (7,576), Las Cruces (45,086), Demming (9,964), Silver City (9,887), and Carlsbad (25,496)

In these cities, the New Mexico Symphony Orchestra provides the only live concert music available. In a large state with scattered communities, each unable to support a professional orchestra on its own, extensive touring is required to reach the population. With the support of the Endowment and grants from the New Mexico State Council on the Arts and local corporations, raised by the orchestra to match the Endowment's touring grant, the New Mexico Symphony comes to these communities bringing full orchestra concerts and educational programming for the schools.

New Mexico Symphony Orchestra statewide touring began in 1974 with a small Endowment grant. Since that time, the orchestra has been to more than thirty-three communities across the state, and now visits twelve each year. According to Executive Director William Weinrod, "Albuquerque serves as the home base for a professional symphony orchestra which can tour to provide the musical services for children and the general public in communities which otherwise would have none. The availability of Endowment grants has dramatically changed the performing arts scene in the State, making such events more accessible to small communities and rural areas than ever would have been possible by other means of funding. "

In each community on the tour, funds from the orchestra's Arts Endowment grant and the corporate touring fund are matched again by local businesses and sponsors. "The funding system for tours uses the Endowment grant as the base to be matched by local sponsors and by a statewide corporate touring fund, tripling the value of the grant," says Weinrod. In communities where no structures exist to sponsor the concerts, the orchestra provides administrative and consulting help to lay the necessary foundation.

The orchestra, too, benefits from statewide touring. According to Weinrod, "The tour services provide enough added payroll and services to allow more musicians to make the symphony their priority occupation, to pay more musicians on salary, and produce a better orchestra than Albuquerque on its own could sustain. With touring increasing services by one-third, the orchestra has grown in size and quality." As a result of its new reputation, the orchestra was invited to tour Baja California as the guest of the Mexican government. And, to match its Endowment's grant, the orchestra was able to attract a special $10,000 touring gift from Mobil Oil, the second largest private donation in the orchestra's history.

The availability of quality concert music to all of New Mexico and the growth in state and corporate funding for the orchestra would not have been possible without Endowment support. Weinrod said, "The problem that the National Endowment for the Arts grant answers is that of accessiblity to live performances in a state like New Mexico with a relatively small scattered population. The orchestra provides that accessibility in New Mexico which it would not do without grants like those from the Endowment. If these funds are cut, the match from the towns will be lost, and touring will have to be curtailed."

EDUCATION CONCERTS
COLUMBUS (OHIO) SYMPHONY ORCHESTRA

In Columbus, Ohio, support from the National Endowment for the Arts as matched by the Ohio Arts Council and the Greater Columbus Arts Council helps bring a complete series of education concerts to an audience of nearly 100,000 children from pre-school to high school in concert halls and schools.

America's orchestras provide a full range of education programming like that in Columbus. Last year, orchestras played 7,843 concerts and in-school ensemble performances for nearly 4 million students as part of this commitment to bring live concert music to this nation's young people. In many of these cases, the Endowment was a partner in the program. Last year, 74 percent of the grants awarded by the Endowment to major orchestras helped support education programs.

In Columbus, the Endowment helps support a full program that includes:

- Lollipop Concerts — A pair of special performances for 2,000 pre-school age children and their parents with puppets, mimes, clowns, and programs designed for three to five year olds;
- Young People's Concerts — A pair of performances for 5,800 elementary school-age children and their parents;
- Junior and Senior High School Concerts — Twenty in-school performances in Columbus Schools and surrounding districts for 20,000 students;
- Ensemble Performances — 258 in-school concerts and demonstrations by nine ensembles for 63,300 elementary school age children.

The education programming also includes support for two youth orchestras administered by the orchestra. The Columbus Senior Youth Orchestra of 94 Senior high school students plays twelve concerts each year, and the Cadet Orchestra of 112 Junior High School students gives six concerts annually. Both of these student orchestras give talented young musicans valuable performance training and exposure to the orchestral repertoire. Both youth orchestras also play a special showcase concert with the winners of The Young Musicians Competition, sponsored by the Columbus Symphony.

"The concerts," says Columbus Symphony Orchestra General Manager Darrell Edwards, "are an integral part of the student's education. This country is lagging in overall arts education, and our in-school ensemble and concert programs are the only exposure these youths have to the finest live professional music performance in central Ohio.

"Funding for the education programs is already stretched to the limit, and any futher reductions in Endowment support would cut into the quality of the program."

FREE CONCERTS IN THE PARK
NEW YORK PHILHARMONIC ORCHESTRA

In New York City, with support from the National Endowment for the Arts, more than one-half million people attend free concerts in the parks during the summer presented by the New York Philharmonic Orchestra. The series began in 1965, and since that time, 192 free concerts in the city have been attended by more than 6.2 million people.

According to Amyas Ames, Chairman of the New York Philharmonic, "Funds from the National Endowment for the Arts have been critical in the development and continuation of the New York Philharmonic's Free Outdoor Parks Concerts which bring the Orchestra to as many as 500,000 each summer. The concerts, conducted by Music Directors Zubin Mehta, Pierre Boulez, Leonard Bernstein, and outstanding guest conductors, bring the finest symphonic music to the people of New York.

"This important series has served as a model for orchestras all over the country. The Philharmonic has received federal, state, and city money in addition to foundation and private support. It has served as an example that it is necessary to integrate support from all sectors."

The partners who joined the National Endowment for the Arts in supporting the 1981 series of concerts included the New York City Department of Parks and Recreation, Exxon Corporation, the New York City Department of Cultural Affairs, the New York City Summer Arts Fund, the New York State Council on the Arts, the Robert Wood Johnson Jr. Charitable Trust, the Andrew W. Mellon Foundation, and the Booth Ferris Foundation.

This extensive support still only accounts for 60 percent of the expenses of the concerts, which cost nearly $600,000 to produce, because the performances earn no income.

Across the country, orchestras have made a commitment to producing free concerts during the summer and throughout the season. In 1981, nearly 3.5 million people attended 1541 free concerts, and millions of others attended reduced-cost programs. These performances must be completely supported by grants from the Endowment or other donors because they earn no income. With Endowment support, the number of free performances by orchestras has flourished; if funds are cut, these activities will have to be curtailed.

WHO WILL FILL THE GAP?

All across America, orchestras are exploring exciting and creative ways to serve their communities and improve artistic quality and management. With the leadership and financial support of the National Endowment for the Arts, these ideals have been turned into reality.

The programs described above are but a small sample of the rich array of ways orchestras reach their audiences beyond the concert hall. However, because these programs earn little or no income, they depend heavily on contributed support. That support is now provided by a partnership of government, corporate, and individual donors.

In announcing a reduced FY 1983 Arts Endowment budget, the administration has said it believes increased funds from the private, and particularly corporate, sector would be able to fill the gap created by cuts in government support for arts institutions and other non-profit sector organizations. To date, however, business leaders have been unable to substantiate this belief.

In a speech to the recent Arts Edge Conference in Pittsburgh, David Roderick, President of U.S. Steel, said, "I am hopeful that corporate giving will continue to rise in the next few years, but business cannot take up the slack entirely." William DuVall, president of the Borg-Warner Foundation agrees, saying, in the New York Times, "There is no way that corporations are going to fill the dollar gap."

Even William Verrity, president of Armco and head of the Presidential Task Force on Private Sector Initiatives, told a meeting of governors, "Business will not fill the gap because they cannot fill the gap. The magnitude of the budget cuts far exceeds any practical consideration of business interests to fill it. Ladies and gentlemen, it is simply not possible."

In fact, a survey of 427 major corporations recently released by the Conference Board, a business research organization, showed that 63 percent of the executives surveyed doubted that the private sector could be expected to fill the gap. The report concluded, "There is yet no groundswell of enthusiasm or intent for the gap-filling role set out by the Administration."

It has been said that substantial funds would become available if corporations were to increase their giving to charity in the coming year. These hopes must be tempered with realism. The Conference Board found that while 60 percent of those corporations surveyed intended to increase their charitable giving, only 6 percent linked the decision to the reduction in the federal budget. Most said such decisions were part of a normal practice of increasing budgets to reflect inflation and gains in earnings.

Tax laws now allow corporations to deduct up to 10 percent of their earnings for charitable gifts. However, very few corporations matched the previous limit of 5 percent, and the current national average is 1 percent. The Presidential Task Force on Private Sector Initiatives has just recommended that corporations double this level of giving to 2 percent. However, with corporate giving to all charity totalling $2.7 billion last year, and an Urban Institute study estimating that $22 billion will be lost to the non-profit sector as a result of the reductions in the federal budget during the next three years, a doubling of current corporate charity would still not fill the gap.

Another suggestion calls for increasing the number of corporations that give to charity. Increasing the number of corporate donors is a vital goal for all non-profit institutions, but believing that this can fill the gap left by a reduction in government funds is misleading. The Conference Board noted that only 300 American corporations contributed more than $1 million each year to charity, and that an analysis of 1977 IRS returns showed that 65 percent of the 1.4 million corporations that had a positive income in that year did not make any charitable gifts. However, the 35 percent that did contribute accounted for 85 percent of the assets reported that year. Unfortunately, increasing the number of corporate donors to the arts and charity will not dramatically increase the total contributions.

Arts groups will be particularly hard pressed to fill the gap left by reduced federal spending with corporate gifts because of the tremendous pressure being put on donors by the myriad of social programs previously funded by the government. All corporate and foundation givers have been inundated with requests. According to, The Washington Post, Edmund Wilson, the head of the ARCO Foundation, reported that requests for funding have doubled since last year, and in the New York Times, William A. Orme, secretary of the General Electric Foundation, reports that grant requests now arrive in his office at the rate of one every twenty-six seconds. Some corporations and foundations have decided, as did one major west coast foundation with a multi-million dollar arts budget, that funds must be reallocated from the arts to the social services.

The Economic Recovery Tax Act, too, is expected to dampen corporate giving to the arts. Although the act increased the percent of corporate income that can be deducted as a charitable contribution from 5 to 10 percent, a series of reduced tax rates, and generous policies toward depreciation and tax credits, will leave many large corporations with greatly reduced tax burdens, and a reduced incentive to give. The Task Force on the Arts and Humanities recognized this potential danger and made several specific recommendations designed to correct the problem. However, congressional action is not expected in the near future.

The outlook for foundation and individual contributors is equally pessimistic. According to the Conference Board, "From the foundations' standpoint, there appeared little, if any, hope that significant increments in contributions would be available for gap-filling purposes. Foundation giving has increased at an average rate of only 6.4 percent during the past seven years. Some studies have shown that total foundation assets, computed on a constant-dollar basis, have actually declined during the past half decade from $25.1 billion to $17.7 billion."

Finally, charitable giving by individuals is expected to be deeply affected by changes in the tax law. A survey commissioned by Independent Sector and carried out by the Urban Institute estimated that the reduction in tax rates for all taxpayers could cause charitable giving from individuals to drop off by as much as $18 billion during the next three years. As the Task Force on the Arts and Humanities noted, "If past practice is a guide, the overall impact of the general income tax rate reductions may materially diminish private contributions to arts and humanities institutions."

The Conference Board reports an additional concern, "As the economy slides into a 'planned-for' recession, and as consumers' real income continues to shrink, there seems to be little realistic hope that individual contributions will mushroom to such proportions that they can significantly help with the gap-filling task." The charitable contributions law passed by Congress last year is expected to bring only very limited relief in the next few years.

It is clear that cuts in government funds for the arts will not be covered by increased gifts from the private sector. As a result, because of the cut in funds for the National Endowment for the Arts, something will be lost -- performances, services, jobs. Orchestras will continue to play quality music in the concert halls, but it is the new and innovative programming, and the activities described above that do so much to enrich the lives of the community and the orchestra itself, that will have to be cut. With the support of the Arts Endowment during the past ten years, these services have flourished, and orchestras and audiences alike have shared the rewards.

Last year, this subcommittee heard testimony from some of this country's finest artists. You listened and, in response to their pleas, rejected a 50 percent reduction in the Arts Endowment's budget. This year, we ask you to do the same, to reject the proposed

FY 1983 Arts Endowment budget of $100.0 million in favor of an appropriation of $163.7 million that will allow our country to maintain its commitment to the arts.

At a hearing last year before this subcommittee, John Williams concluded that the Endowment "is important to the creative impulse and the creative energy of what we hope is going to be the next American century." With support and encouragement from the Endowment, this creative impulse has grown to unimagined heights during the past sixteen years. We ask for your support of the Endowment to let that impulse continue to grow.

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FRIDAY, MAY 7, 1982.

PUBLIC WITNESSES

NATIONAL ENDOWMENT FOR THE HUMANITIES

UNIVERSITY OF CHICAGO

NEW YORK PUBLIC LIBRARY

FIELD MUSEUM OF NATURAL HISTORY, CHICAGO

WITNESSES

HANNA H. GRAY, PRESIDENT, UNIVERSITY OF CHICAGO
VARTAN GREGORIAN, PRESIDENT, NEW YORK PUBLIC LIBRARY
WILLARD BOYD, PRESIDENT, FIELD MUSEUM OF NATURAL HISTORY, CHICAGO

Mr. YATES. The hearing will be in order.

This is the hearing on the 1983 appropriation for the National Endowment for the Humanities. Today we have public witnesses appearing in support of the appropriation.

We are honored to have the first panel consisting of Dr. Hanna Gray, President of the University of Chicago; Mr. Vartan Gregorian, President, New York Public Library and Mr. Willard Boyd, President of the Fiddle Museum of Natural History, Chicago.

Your statements may all go into the record. Ms. Gray, we are very glad to hear from you.

Ms. GRAY. Thank you for this opportunity to say some words on behalf of the humanities and their role in our national life, and also about the kind of priority that I believe they should have in the articulated purposes of our national life.

I have been, as you know, other than being now President of the University of Chicago, my whole life is that of a historian and humanist, served on the National Council on the Humanities from 1971 to 1977, and last summer I was one of the co-chairmen of the Presidential Task Force on the Arts and the Humanities, and in a way, I am surprised, Mr. Chairman, coming before you, to feel that it is necessary once again to justify the important role which the humanities should play in our national life.

I am surprised about that, because it seems to me, for example, in the inquiries of our task force, we found extraordinarily bipartisan support for the endowment for the humanities, the National Endowment for the Humanities, and a group of people who came from very different backgrounds and political persuasion were unanimous, not only in their conclusion that the National Endowment for the Arts and Humanities represent the appropriate means providing Federal support for those activities, not only that their procedures are the procedures appropriate to the channelling of such support, but came away unanimously convinced that the justification for a Federal presence and the support for the arts and humanities in our country was secure.

I suppose there are people who talk about climbing mountains because they are there, and what surprises me is that people seem to be climbing down this mountain instead of up it. We should proceed upward in order to achieve some greater heights for the quality of our natural culture and the education on which we rely as a long-range goal, on the accessibility and awareness which the issues that are related to the humanities and relevant to us as individuals, as citizens, and as citizens of an international community should be concerned about.

I consider it particularly unfortunate that at this time, given the complexities of the issues that confront us, given the nature of the role that the Endowment has played in education, in the activities of the humanities, that it should be proposed that there be further reductions in funding.

After a substantial reduction last year, which would have been greater had it not been for the work and effective accomplishment of this committee, for which we are all very grateful, and we hope very much that this committee this year again can mount those barricades and help to protect what seems to lack protection, namely, that sense for and that capacity for the improvement of the quality of education, the preservation of scholarly resources, of an awareness of the relationship between teaching and the research, of the accessibility, the issues and activities of the humanities.

Now, we are all aware that the Endowment for the Humanities has done extremely significant work and not by shaping itself into the dominant source of funding for the humanities in our pluralistic society, but in effect making it possible to do what could not otherwise be done, to initiate what could not otherwise be initiated, to provide support and encouragement for projects, whether by individual groups or institutions which could not have been mounted by a single individual or group or institution.

In effect, the National Endowment for the Humanities has had not only a very important role in stimulating research, education and citizen awareness, but it has also stimulated a higher volume of private giving, and, therefore, in that partnership between Federal and private, between pluralistic modes of support, the richness, the variety, the vitality of the humanities in this country has been very much encouraged.

I see in a variety of ways a lessened regard for higher education for humanities and those things that surround them, implicit and explicit, in the budget proposals that have been made.

We do not ask for some kind of special treatment for the humanities and higher education. We are aware that there are many other needs, but we do ask that the humanities not be disproportionately cut, and that the long-range purposes and values and the significant recognition given to those priorities not be reduced. That is what I wanted to say this morning, Mr. Chairman.

[Ms. Gray's prepared statement follows:]

STATEMENT OF

HANNA H. GRAY
PRESIDENT
THE UNIVERSITY OF CHICAGO

HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE ON THE DEPARTMENT OF INTERIOR
AND RELATED AGENCIES

MAY 7, 1982

Mr. Chairman, members of the Subcommittee: I am grateful for this opportunity to testify before you this morning.

I am by training and profession a historian of Europe in the age of the Renaissance and Reformation and a teacher of history and the humanities. I have served on the National Council on the Humanities and last summer served as a co-chairman of the Presidential Task Force on the Arts and Humanities. That group engaged in a broad and intensive review of the condition of the arts and humanities in this country, of the structures for their support, and of the role of a federal presence in these areas. In public meetings, in smaller discussion groups, and in individual communications from many concerned citizens, we became increasingly aware of the scope and depth (which extend far beyond the academic world) of the support enjoyed by the two Endowments. At the end of its inquiry, this task force of 36 people of widely divergent backgrounds and political persuasions came to a unanimous conclusion. We said in our report to the President that the encouragement of the arts and humanities represents a proper and important function of the federal government. We recommended that the basic structures and procedures of the Endowments be maintained as the effective and appropriate means for channeling such support.

Our strong reaffirmation of the significant role played by these relatively small agencies arises from the conviction that the quality and creativity of our culture, which are intrinsically valuable, have to do also and in important ways with the larger social good, with key long-term objectives of our national purpose.

Democracy requires independent, thoughtful, well-informed citizens for its healthy functioning. Our society has never been in greater need of educated competence, critical judgment, the capacity to understand our own and other cultures, the power to see and to cope with the complex questions and the intricate relationships of human life in its varied and changing dimensions, the conquest of insularity and narrowness of vision, a sensitivity to the central issues of human and humane existence in the context of our experience and of our best thinking about the present and future.

The NEH exists to enable learning and discovery in the disciplines of the humanities, to expand and enrich public awareness and participation in the fruits of these activities. Its existence has made possible what could otherwise not be accomplished, or accomplished by other means alone. Its grants to institutions, groups and individuals have represented only a small proportion of the support for the humanities--but that contribution has made a critical difference and has helped in fact to stimulate private support as well. I believe that the sustenance of creative scholarship and first-rate education in the humanities must be a high priority of national policy. It has not been costly. The short-sighted policies which propose radically reduced funding for these purposes would, if accepted, exact a heavy cost later. Given my own experience in the academic world, I should like to explain why this is so by speaking to the NEH's impact on the quality of education in this country, and especially on the activities that are carried on in research universities.

The humanities by their very nature are less visible than the arts and may not command the same dramatic attention. Similarly, their support is in a sense more diffuse, deriving less from individual acts of private philanthropy than from the institutional resources, which have to be allocated to many different areas, that have been built up through such philanthropy. Thus universities, for example, may house and support many of the great collections essential for scholars everywhere and not only for their own students and faculties. The economy of research and advanced training in the humanities is and will remain essentially that of the universities themselves, helped by foundations and donors, and in collaboration with museums, learned societies, and independent libraries. But these economies are strained and subject to pressing demands elsewhere, and they cannot alone supply the seed money required for major new projects, for larger programs of fellowships for individual research and training, for long-range enterprises of research--all of which contribute to the development of learning and the resources of learning that have a life beyond the confines of any single institution.

The work of the nation's research institutions falls broadly into the integrally related activities of teaching and research. The continual renewal of the academic fields through scholarship has a direct effect on the substance and quality of teaching. Creative teaching and understanding depend on the continuous expansion and reexamination of knowledge.

A few examples will illustrate more concretely the extent of the NEH's contribution to humanistic research. I begin with a project sponsored by Claremont College in California. Since 1979, Claremont has coordinated the production of an Encyclopedia of the American Constitution, a work that will ultimately cover every dimension of American constitutional history and law. The Encyclopedia is fortunate to be able to draw on the expertise of 215 distinguished scholars from three disciplines--history, political science, and law. Publication is scheduled for 1987, the bicentennial of the Constitutional Convention.

Funding for the project comes from a variety of sources including support from the foundation and publishing worlds, a contribution from Claremont College, and a grant from the NEH. The broad private and institutional support which the Encyclopedia has succeeded in attracting illustrates the important catalytic role that the NEH plays in stimulating private investment in the nation's scholarly resources.

This encyclopedia exemplifies the fundamental strength of the NEH. No single university's resources would have been sufficient to undertake the project. NEH seed money made it possible for scholars across the nation to collaborate on a project that will vastly enrich our understanding of our nation's legal and philosophical foundations.

Let me offer another instance of the NEH's contributions to the nation's cultural life. For many years the works of the greatest American authors have been buried in obscure, frequently out of print editions. Now, thanks to the leadership of Harvard's Professor Daniel Aaron and with funding from the Ford Foundation and from the NEH, our literary tradition will be accessible in an inexpensive, authoritative edition. Students, teachers, scholars, and the general public will be the beneficiaries of a project which fills a gaping hole and therefore greatly strengthens the accessibility of our national literary heritage.

I cannot resist a brief reference to the Assyrian Dictionary, one of a number of important lexicographical projects on which members of our faculty at the University of Chicago are working. The Dictionary was begun in 1921. The first volume appeared in 1956, and subsequent volumes have been published steadily since then. In 1976 the Dictionary received its first grant from the NEH, and it is my understanding that the pace of work and hence also the Dictionary's availability have increased to such a point that the conclusion of the project is optimistically predicted sometime during the next decade rather than in the next century. When complete, the dictionary will provide a bridge to an hitherto little understood civilization which exerted enormous influence on near eastern history. We will be in a position to understand a great deal more about an entire civilization, indeed to help preserve it, and so to understand more about ourselves and our world at the same time.

No survey, no matter how brief, of NEH's contributions to the humanities would be complete without some reference to NEH's role in strengthening the most important tool of humanistic research--the nation's libraries. The treasures of our libraries must be preserved if humanistic research is to continue in the future. The NEH has provided enormous help to libraries and archives working to conserve, preserve, and catalogue their collections.

In light of these accomplishments and the widespread support that the Endowments enjoy, it is certainly unfortunate that reduced federal support for the NEH is again being proposed. Support for the NEH dropped by 14% last year--from $151.3 million in FY 1981 to $130.6 million in FY 1982. Only the exceptional leadership of this Subcommittee in the appropriations process prevented even sharper cuts in the FY 1982 funding level. We in the academic community are exceedingly grateful for this assistance. We call on your leadership once more. The Administration has proposed further drastic cuts--amounting to more than 25%--for the NEH in FY 1983. I believe it essential that these cuts be resisted.

Since their creation in 1965, the Endowments for the Arts and Humanities have received strong bipartisan support. Both Democratic and Republican Presidents have recognized the enormous public benefits derived from the relatively small sums spent on the Endowments. We cannot afford a weakening of this commitment. I am not asking the government to assume the dominant role in the support of scholarship in the humanities. But creative government support clearly can play a vital role in stimulating and disseminating humanistic research. It can set an example by encouraging the kinds of projects that will expand and diversify our cultural resources. It can provide seed money and thereby attract private donors to projects. Most important, an active governmental contribution to the support of the humanities reaffirms our society's confidence in the vigor of America's cultural resources and our conviction that they represent an aspect of our national experience and of our international role which deserves both support and encouragement.

Mr. YATES. Would you consider the $96 million requested by the Administration to be a disproportionate reduction when one considers that the amount made available in fiscal year 1981 was $151 million, and in 1982 was $130 million?

Ms. GRAY. I consider that disproportionate.

Mr. YATES. A loss of more than $50 million in 2 years?

Ms. GRAY. Right.

Mr. YATES. Okay, perhaps I should listen to Mr. Gregorian and Mr. Boyd first, before I ask any questions.

I would like to tell Dr. Gray something she already knows. As an old alumnus of the University of Chicago, I was particularly proud to have Hanna Gray as the President of our university, and that she was one of the reasons we called it "the" university.

I will tell you, Mr. Gregorian, that I remember the testimony last year of Barbara Tuckman. She said that she could not possibly have engaged in the research which—she did not say brought her fame—but which I saw brought her fame, without the services and without the facilities made available by the New York Public Library.

Mr. GREGORIAN. Yes, Mr. Chairman.

Mr. YATES. She felt a great deal behind the lions.

Mr. GREGORIAN. I was told when the lions were hungry, they feed them the Armenians.

My name is Vartan Gregorian, President of The New York Public Library, and former Provost of the University of Pennsylvania.

Today I represent not only the library, and we call it "the" library, but also the Association of Research Libraries and the Independent Research Library Association.

These libraries dispersed throughout the Nation include such unique institutions as the Newberry Library in Chicago, the Huntington Library in San Marino, California, the Folger Shakespeare Library in Washington, D.C., the Pierpont Morgan Library and the New York Public Library.

Together, they house over 13 million volumes and some 45 million manuscripts. They are diverse institutions, but they have one common trait—they combine public service and excellence.

Individually as well as collectively, these libraries, as centers of learning, are indispensible to education, culture and scholarship, particularly in the realm of the humanities.

Individually as well as collectively, these libraries contain our Nation's and humanity's intellectual, artistic and spiritual heritage. They are the guardians of our past and protectors of free information and sources of knowledge which are so essential for the welfare and future of our democratic society.

The research libraries have three major responsibilities if not duties: they must preserve our heritage for the benefit of present and future generations; they must provide ready access to their materials; and they must keep up and cope with an unprecedented explosion of information and knowledge.

These are not easy tasks. Recent surveys indicate that the deterioration of paper in America's major research libraries has reached epidemic proportions. A sampling of the three million books in the Yale Library indicates that 86 percent of the collection has an acidity level high enough to warrant the volumes being replaced; 46 percent of these volumes have deteriorated to the point that their pages will break if they are folded.

A limited survey of Stanford University's library collections indicate that some 26 percent of its holdings are in equally poor condition, even though they are stored under better environmental conditions, because of technology.

The sad truth is that there is not enough money nor trained personnel or space in our Nation's research libraries and archives to save more than a fraction of the books and manuscripts, prints, photographs, recordings, and films. We, too, face a "Silent Spring"—the slow death of our heritage.

Concurrently, the libraries face also an unprecedented challenge as to how to acquire, to make accessible, and to preserve new endeavors of humanity which, according to the UNESCO Statistical Yearbook, currently has reached the publication of some 85,000 titles a year in the United States alone. The United Kingdom, 35,000; West Germany, 40,000; Japan, 34,000—even smaller countries such as Peru and Sri Lanka produce over 1,000 titles a year.

How do we cope with the preservation, conservation, as well as acquisition in order to keep a free society free and provide them access to free information?

I have mentioned, after reading the Silent Spring, that we, too, face a silent spring, slow death and decay of our national heritage.

In the case of the New York Public Library, we are spending more than other research libraries, but this is a drop of water in a whole large bucket which will not be filled.

In the case of the New York Public Library, the leadership and the assistance of the National Endowment for the Humanities over the past decade has provided the difference between mediocrity and greatness. NEH's annual challenge grants for general operating funds have enabled us to increase private support tenfold.

Special project grants from NEH have enabled us to preserve our decaying card catalog of 10 million cards and to make its publication in book form available to libraries throughout the world. We have also been able to preserve and publish our massive vertical file of materials from the Schomburg Center for Research in Black Culture about the African-American experience, the most important resource of its kind.

NEH has also enabled us to make accessible many of our photographic treasures which had lain buried throughout our collections.

The belief that private giving, foundation and corporate giving will somehow be able to substitute some of the functions and resources of NEH is simply not accurate. We have seen no evidence that the private sector will fill in when the Nation fails us in its support. This year, our own private sector fund raising is lagging, especially in the realm of foundations, most of whom, besieged by increased numbers of applications, are tightening rather than expanding.

Mr. **Yates**. Lagging behind last year, or lagging behind your goals?

Mr. **Gregorian**. Lagging behind last year's.

NEH challenge grants have given us and the private donors a major incentive to secure funds for conserving the Nation's resources. Additional NEH challenge grants must be made available in order to allow us to continue our work. A 27 percent cut in the budget of the National Endowment for the Humanities is a short-sighted move.

Such a cut in the case of libraries is not a saving. What we don't preserve now will cost far more later on. What we neglect now cannot be recaptured later on. And, may I remind, Mr. Chairman, that we are talking not about expenditures but investments in our Nation's past and future.

We are talking about policies for another form of national defense, the defense of our heritage, defense of scholarship, defense of culture, defense of literacy, and defense of the humanities.

We do understand and appreciate the Administration's and Congress' desire to balance the budget and check inflation. But, we also believe that it is not irresponsible to ask that within a projected 1983 Federal budget of $757.6 billion, the National Endowment for the Humanities budget be kept at least at $148 million, its 1981 funding level.

Therefore, on behalf of the New York Public Library and of research libraries throughout the Nation, I urge you to ensure the stability and growth of NEH through adequate funding of at least $148 million for the year 1983, because the cuts, as you mention, are far deeper than 27 percent. If we compare them to 1981, they are 37 percent. If we had put it in the form of constant dollars, the damage is far more extensive than merely the figure of dollars shows.

In concluding, I would like to thank the National Endowment for the Humanities and its leadership for their great contributions to the Nation.

Thank you for your consideration.

[Mr. Gregorian's prepared statement follows:]

STATEMENT OF VARTAN GREGORIAN, PRESIDENT

THE NEW YORK PUBLIC LIBRARY
ASTOR, LENOX AND TILDEN FOUNDATIONS

to the

HOUSE APPROPRIATIONS SUBCOMMITTEE

ON

INTERIM AND RELATED AGENCIES

May 7, 1982

My name is Vartan Gregorian, President of The New York Public Library, and former Provost of the University of Pennsylvania.

Today I represent not only the Library but also the Association of Research Libraries and the Independent Research Library Association. These libraries, dispersed throughout the nation, include such unique institutions as the Newberry Library in Chicago, the Huntington Library in San Marino, California, the Folger Shakespeare Library in Washington, DC, the Pierpont Morgan Library and The New York Public Library. Together they house over 13 million volumes and some 45 million manuscripts. They are diverse institutions but they have one common trait -- they combine public service and excellence. Individually as well as collectively, these libraries, as centers of learning, are indispensible to education, culture and scholarship particularly in the realm of the humanities. Individually as well as collectively, these libraries contain our nation's and humanity's intellectual, artistic and spiritual heritage. They are the guardians of our past and protectors of free information and sources of knowledge which are so essential for the welfare and future of our democratic society.

The Research Libraries have three major responsibilities if not duties: they must preserve our heritage for the benefit of present and future generations; they must provide ready access to their materials; and they must keep up and cope with an unprecedented explosion of information and knowledge.

These are not easy tasks. Recent surveys indicate that the deterioration of paper in America's major research libraries has reached epidemic proportions. A sampling of the three million books in the Yale Library indicates that 86% of the collection has an acidity level high enough to warrant the volumes being replaced; 46% of these volumes have deteriorated to the point that their pages will break if they are folded. A limited survey of Stanford University's library collections indicate that some 26% of its holdings are in equally poor condition, even though they are stored under better environmental conditions. The sad truth is that there is not enough money nor trained personnel or space in our nation's research libraries and archives to save more than a fraction of the books and manuscripts, prints, photographs, recordings, and films. We, too, face a "Silent Spring" -- the slow death of our heritage.

Concurrently, the libraries face also an unprecedented challenge as to how to acquire, to make accessible, and to preserve new endeavors of humanity which, according to the UNESCO Statistical Yearbook, currently has reached the publication of some 85,000 titles a year in the United States alone. The United Kingdom, 35,000, West Germany, 40,000, Japan, 34,000 (even smaller countries such as Peru and Sri Lanka produce over 1000 titles a year).

In order to preserve the living heritage of our past and to deal with the complex demands of the present and the enormous needs of the future, the libraries need the necessary services of highly competent staff, a complex array of technologies and interinstitutional cooperation. They need the necessary resources to accomplish their mission. They need this at a time when inflation and recession have eroded the value of their endowments. Research libraries which have prime responsibility for the preservation and dissemination of the nation's cultural and intellectual heritage cannot discharge their historical duties in the absence of a responsible national policy, national impetus, and national assistance. Therefore, these organizations join me in supporting the outstanding work of the National Endowment for the Humanities.

In the case of The New York Public Library, the leadership and the assistance of the National Endowment for the Humanities over the past decade has provided the difference between mediocrity and greatness. NEH's annual challenge grants for general operating funds have enabled us to increase private support tenfold. Special project grants from NEH have enabled us to preserve our decaying card catalog of ten million cards and to make its publication in book form available to libraries throughout the world. We have also been able to preserve and publish our massive vertical file of materials from the Schomburg Center for Research in Black Culture about the African-American experience, the most important resource of its kind.

NEH has also enabled us to make accessible many of our photographic treasures which had lain buried throughout our collections. Similarly, it has helped us to catalog our American Music Manuscripts.

These are just a few examples of the ways in which the Endowment has enriched the life of our institution, The New York Public Library, one of the six largest libraries in the world. Our own experience has been replicated in countless institutions throughout the land, but there is so much more that needs to be done. Therefore, on behalf of the Association of Research Libraries and the Independent Research Library Association (whose Chairman, David H. Stam has already written you of their concerns) and The New York Public Library, I would like to voice our opposition to the proposed reduction in the funding of NEH. The proposed budget figure of $96 million for 1983 constitutes a 27% cut in comparison to the 1982 budget and 37% from 1981. If we add the inflationary factor and judge the projected funding in constant dollars, the impact of the proposed cuts is far more extensive.

The belief that private giving, foundation and corporate giving will somehow be able to substitute some of the functions and resources of NEH is simply not accurate. We have seen no evidence that the private sector will fill in when the nation fails us in its support. This year our own private sector fund raising is lagging, especially in the realm of foundations, most of whom, besieged by increased numbers of applications, are tightening rather than expanding.

NEH challenge grants have given us and the private donors a major incentive to secure funds for conserving the nation's resources. Additional NEH challenge grants must be made available in order to allow us to continue our work. A 27% cut in the budget of the National Endowment for the Humanities is a short-sighted move. Such a cut in the case of libraries is not a saving. What we don't preserve now will cost far more later on. What we neglect now cannot be recaptured later on. And, may I remind Mr. Chairman that we are talking about not expenditures but investments in our nation's past and future. We are talking about policies for another form of national defense, the defense of our heritage, defense of scholarship, defense of culture, defense of literacy, and defense of the humanities. We do understand and appreciate the Administration's and Congress' desire to balance the budget and check inflation. But, we also believe that it is not irresponsible to ask that within a projected 1983 Federal budget of $757.6 billion, the National Endowment for the Humanities budget be kept at least at $148 million, its 1981 funding level. Therefore, on behalf of The New York Public Library and of research libraries throughout the nation I urge you to ensure the stability and growth of NEH through adequate funding of at least $148 million for the year 1983.

In concluding, I would like to thank the National Endowment for the Humanities and its leadership for their great contributions to the nation.

Thank you for your consideration.

Mr. YATES. Thank you for your excellent statement.

Is my memory correct? Have the hours of the New York Public Library been cut down?

Mr. GREGORIAN. Yes, one of the sad things is, during the depression, New York Public Research Libraries were opened 79 hours per week. Currently they are opened only 49 hours a week, and 6 hours of those 49 hours are given us in the form of corporate contributions by Time, Inc., and Gladys Delmar Foundation at Princeton.

Mr. YATES. Have your contributions from the City of New York been cut down?

Mr. GREGORIAN. Since 1975, they have been cut down by approximately 30, 40 percent. They were restored last year to enable us to open the library 20 percent more hours, the branch libraries, because the New York Public Library is a dual institution, research institution, private corporation, which since 1901 has been handling for the city of New York 83 branch libraries. The branch libraries are subrented by the city and the resource library, two-thirds come from private donations and the rest from Federal challenge grants and other sources.

Mr. YATES. Are you aware of what is proposed for the humanities projects in the libraries this year as far as funding is concerned?

Mr. GREGORIAN. I am aware of the fact that certain of their projects will be cut, but in the case of the New York Public Library, we are grateful that this year we have not suffered a cut, but rather a slight amount of decrease in the form of a challenge grant.

Mr. YATES. Well, the budget for the National Endowment for the Humanities shows that for humanities projects and libraries in 1981, $3,393,000 was available; in 1982, that was reduced to $2,656,000; and for 1983, it is reduced to $500,000.

So you can see they are moving in a direction which won't be directly helpful to you.

Mr. GREGORIAN. No other library as well, I might say. We are here jointly to defend national resources.

Mr. YATES. Okay.

Dr. Boyd?

Mr. BOYD. I obviously come from the museum. Unfortunately, Hanna has said to me on occasion, I cannot claim I am a humanist, because I have said a lawyer is a humanist, and she said, "But a lawyer is just a lawyer," but I am coming as an advocate for the humanities.

I am pleased to have been both as President of the Field Museum and as President of the University of Iowa, and I strongly support what the President is attempting to do in a fiscal nature, and I applaud his appointment of Mr. Bennett as Chairman of the two Endowments.

I am impressed by what I read of Mr. Bennett, and I am impressed by what I see of Mr. Hodsoll as I work with him as a member of the National Arts Council.

While I am generally supportive of the President and his two Chairmen, I take strong issue with them as to their assessment of the financing of cultural endeavors in this country and the priority which the humanities and arts should have in the Federal budget.

Among nonprofit organizations, cultural institutions rely most heavily on nongovernmental support. In the case of Field Museum of Natural History, approximately 31 percent of our $13 million annual operating budget comes from governmental sources. The bulk of that governmental support comes from the Chicago Park District.

About 9 percent of that 31 percent comes from Federal funds. NEH is a significant portion of that.

The remaining some 70 percent we derive from the Endowment, which we have been advised by our investment counsel not to expect to hold up in yield this year.

Also, from private giving which we find that those corporations and donors in Chicago that are saying they are giving more this year will give that more for social service rather than for the arts and humanities.

We are working very hard in auxiliary enterprises, selling all kinds of T-shirts and book bags to generate more income from auxiliary enterprises and certainly all nonprofits are doing that.

While that is not a basic business, we are going to try our best, but we cannot generate enough money to cover these losses. In the case of what the Humanities Endowment has done for us, let me give you a few examples.

We have just opened the Northwest Coast Indian and Eskimo exhibit, one of the finest collections in the world. We could not have done it without support from the Humanities Endowment, and we have many more antiquated permanent exhibits that we have got to redo, including one of the oceanic collections, which is second only to that of the Dahlem in Berlin.

The administration of the NEH has taken great pride in talking about the Philippine exhibit. We will have it at the Field Museum this summer. They have just sent back our grant application for Bolivian treasures. We asked for $320,000, and they are giving us $220,000. We cannot make the rest of it up in private contributions, and we will probably have to scrub that exhibit, though we have a presidential decree out of Bolivia to go forward with this exhibit.

We have had great experience educationally with NEH because their grants have enabled us to go outside the walls of the community with experienced boxes that we put together for the school children that they look at. They have also given us through the learning museums to give us an opportunity about what is on exhibit, both permanently and temporarily, and a seed grant they gave us to start adult education has left us with a program that we are developing with 3,000 people coming to the Field Museum in adult education programs each year; and that is now self-supporting, so even though the NEH money has not been substantial in terms of dollars, it has been crucial in supporting basic scholarship, preserving our collections and enhancing public understanding of the humanities through our museums.

I really think very few investments have produced as much for so little, and I don't think oversimplification should be allowed to mask that entrepreneurial truth.

Mr. Yates. That is a ringing phrase.

Mr. Boyd. I also feel very strongly as a lawyer, nonhumanist, we have got to look at the humanities as a creativity. We are talking about creativity in this country; that people are the most essential resource of this country, and we are talking about creativity in the sciences, the arts and the humanities.

I think that it is not enough to live longer. You have got to have a sense of ideals and understanding, and the humanities did do that for us.

While I am for national defense, I also believe spirit and commitment to the humanities makes a great Nation, just as it makes a great football team.

Mr. **Yates**. Obviously, you didn't go to Chicago.

Mr. **Boyd**. That is where I have learned how keenly felt commitment can be, and I don't think it is a bad analogy that a nation needs commitment if it is going to be secure, I think the humanities can do that for us, and I think we are efficient, and just as efficient in the humanities as we are in the defense establishment.

We want to be as efficient as possible, but I believe that the humanities will make us a stronger people, deserves our support, and I would like to quote Chairman Bennett as to why it is so important that we increase the foundation endowment when he said, "At their best the humanities fixes our gaze on what matters; they testify to what deserves attention and what does not."

[Mr. Boyd's prepared statement follows:]

STATEMENT OF WILLARD L. BOYD

PRESIDENT

FIELD MUSEUM OF NATURAL HISTORY

CHICAGO, IL

HOUSE COMMITTEE ON APPROPRIATIONS
SUBCOMMITTEE OF THE DEPARTMENT OF INTERIOR
AND RELATED AGENCIES - MAY 7, 1982

I appreciate the opportunity of appearing before this Committee on behalf of the humanities. I am Willard Boyd, President of Field Museum of Natural History of Chicago since September 1, 1981 and before then, President of the University of Iowa for 12 years. I am especially pleased that I am now a constituent of Congressman Yates.

I strongly support President Reagan's budget approach in its general outlines. I also believe that President Reagan has provided outstanding Chairmen for the two Endowments. I am impressed by what I read of Mr. Bennett and I am impressed by what I see of Mr. Hodsell as I work with him as a member of the National Arts Council.

While I am generally supportive of the President and his two Chairmen, I take strong issue with them as to their assessment of the financing of cultural endeavors in this country and the priority which the humanities and arts should have in the federal budget.

Among non-profit organizations, cultural institutions rely most heavily on non governmental support. In the case of Field Museum of Natural History approximately 31% of our 13 million dollar annual operating budget comes from governmental sources. The bulk of that governmental support comes from the Chicago Park District and only about 9% from the Federal Government. The National Endowment for the Humanities has been a significant factor in the Museum's federal support. Nearly 70% of the Museum's budget is generated from contributions, endowment, and earned income from admissions, food service and museum stores.

Because a small portion of the Museum's support comes from the two Endowments and the Institute for Museum Services, the Reagan Administration argues that a reduction in federal funding will not greatly affect Field Museum and similar cultural institutions. The Administration argues that this federal reduction can be offset by increased private fund raising and leaner but better programming. In so arguing, the Administration oversimplifies both the private fund raising capacity of cultural institutions and the nature of their missions.

Although the fastest growing beneficiary of private philanthropy in recent years, cultural institutions still rank next to last on the donor's totem pole. Only 6.7% of private giving goes to support cultural activities. The Reagan Administration now recognizes that the "gap" being created by reduced federal expenditures and a slow economy will not be filled. True to his philosophy President Reagan leaves it to private donors to decide what portion of the "gap" donors will fill. Most of the major corporate donors that expect to contribute more in 1982 intend to contribute that "more" to social services. Accordingly, we must make the less popular case for private support of culture in uncertain economic times.

Given the fact that the "gap" created by reduction in federal support will not be filled by private giving, all non-profit organizations are extensively engaged in auxiliary enterprises to earn income. Auxiliary enterprises are growing in a time of stagnant philanthropy and declining governmental funds. Museums are no exception. Gone forever are the plain green bookbag and the white T-shirt. Auxiliary enterprises are not the basic mission of cultural institutions. Moreover, their profits will not be sufficient to cover even a major portion of the costs of complex institutions.

The mission of the Field Museum ranges from a children's museum to an advanced research institute. Its collection of 13 million catalogued items is of vital national and international concern in terms of research, preservation and exhibition. Grants from the National Endowment for the Humanities have been crucial to maintaining Field Museum's total mission. NEH grants matched by local governmental and private funds have enabled us to remount antiquated exhibits and provide public access to the best collections through traveling exhibits. In its submission to you the NEH Administration points with pride to the traveling Philippine Exhibit which will be at Field Museum this summer. Yet a substantial reduction in an Endowment grant may prevent Field Museum from organizing a long planned traveling exhibit for 1983 and beyond.

NEH grants have also enabled Field Museum to go outside its walls into the community through support of experience boxes made available to schools and community groups. NEH has also provided funds to teach about traveling and permanent exhibits so that the public can understand more. An NEH grant enabled Field Museum to embark upon an adult education program which has become self supporting and serves over 3,000 adult learners annually.

Although a relatively small component in the total financing of an institution like Field Museum, NEH support has been crucial in supporting basic scholarship, preserving collections and enhancing public understanding of the humanities. Very few investments have produced as much for so little. Oversimplifications must not be allowed to mask that entrepreneurial truth.

Another fatal oversimplification involves the Administration's underestimation of the value of the humanities and the arts to the nation. In a time of declining physical resources we must rely more heavily on human resources -- our creative selves.

Creativity must be fostered. No longer will an abundance of physical resources postpone pressing social and economic problems. There will be an increased demand for scientists and technicians to stretch our resources and develop substitutes. Their efforts will fall far short of a total solution, however, for means and ends, values and goals, are also deeply involved.

In the future, the humanities and arts must be stressed as well as the sciences. Arms do not guarantee international security. Longer life and cleaner air do not assure happiness. Ideas and ideals, understanding and sensitivity give meaning to life. Because there are limits to material growth, we must concentrate on other means of development and fulfillment. Humanities and arts are essential ingredients of our future development and fulfillment.

Spirit and commitment make the difference in football. Spirit and commitment also make the difference in nations. Surely, an unstable economy is the biggest threat to our national security and the President properly focuses on it. The Administration has not, however, conveyed a sense of national purpose, of pervasive national creativity. The Administration does not give the impression that it thinks deeply about the consequences of its acts. Properly concerned with efficiency, it seems to have a double standard when it comes to the defense establishment on the one hand and the non-profit sector on the other hand. Both must be held to rigorous standards of efficiency and effectiveness.

Although I believe in national preparedness, complex weapon systems will not take the place of public commitment. If we are to be a strong nation, we must be a strong people. We must be a creative people. The humanities along with the sciences and the arts are the basic grist for a prosperous nation. Together, they form America's never ending frontier. If we are concerned about the nation's future and security, we must be as aggressive about the humanities in the federal budget as Caspar Weinburger is about the defense budget.

Mr. YATES. That is a very good statement by Mr. Bennett, but did you also notice his statement in his budget, which he said, "Although this is below last year's funding, it is the best way and I am comfortable with it."

As you made your argument, if you were my advocate, as you started out to be, you certainly would have confounded me with the arguments that you brought to bear later in your testimony.

I find myself differing with you. Your summations I thought were fine, you supported what the President was trying to do, not his budget?

Mr. BOYD. I would basically be concerned about the spending levels and also about how those funds that are appropriated are allocated. I believe a higher priority should be given to the humanities than is being given by their recommendation.

Mr. YATES. In the budget 3 years ago for the humanities projects and museums and historical organizations, was $9,425,000. That is the program from which the Field Museum gets its assistance from the Endowments. In 1982, that was reduced by a third to $6,912,000, and 1983, it is proposed to be reduce by 50 percent, $3,600,000.

They are marching in the wrong direction, I think.

Also, I think your museum receives appropriations or grants from the Institute for Museum Services, does it not?

Mr. BOYD. A small amount.

Mr. YATES. You have a comment on what is proposed for IMS?

Mr. BOYD. Yes.

Mr. YATES. Would you like to make it for the record?

Mr. BOYD. I certainly would. I think that that is an enormous mistake that we are facing the same——

Mr. YATES. The fact it is to be eliminated?

Mr. BOYD. Yes, because we have a small amount, but I also want to say we have a very limited direct appropriation from the State of Illinois, which the Governor has slated for extinction, and together these two small amounts, nevertheless, go to help heat and light the place, because they are general support. Where we are going to recoup that money? Most people who give for private purposes are interested in seeing a particular object furthered, as opposed to the heat and light bill, which, of course, has exceeded the original budgets over the last 10 years by almost as many times, 10 times.

Mr. YATES. Dr. Gregorian made a point that is a significant one, and that is that his grants from outside donors were lagging behind last year.

Have you intensified your efforts?

Mr. GREGORIAN. Mr. Chairman, anybody who knows me, knows that there is not a single thing I am not doing to raise those grants.

Most foundations receive 180 percent more applications this year because of the lack in Federal funds.

Mr. YATES. You know that as a fact?

Mr. GREGORIAN. We have the statistics from the Council on Foundations that the amount of applications have increased, even to those small foundations that normally get funds for general operating purposes, each one of them now is forced to justify their grants, because there is so much pressure on them how they spend their grants.

Mr. YATES. Now, does the University of Chicago find itself lagging behind in grants because of the same reasons?

Ms. GRAY. What we are finding, Mr. Chairman, is that both with regard to corporations and foundations, the consequence of an economic situation affects them both adversely. Foundations, after all, have to rely on the markets, and on the real value that they can try to maintain for their endowments, as do universities. Corporate giving is expressed usually as a percentage of profits, and in both cases they have less to give. We will see in the report, Council on Support to Education, which looks at corporate giving, that they are being swamped with applications. And that in every area, it is being said that in some way private support can help make up for deprivation of the public support, and that is at the local, State and Federal Government and in every area. The economic situation that we have and the variety of demands on those funds means less for everybody.

Mr. YATES. Is that true with the Field Museum? I know you have had very excellent drives for funding over the years. What are you finding now? Are contributions lagging?

Mr. BOYD. At this point, it is too early to tell, we know more at the end of the year. There was a symposium sponsored by the Economic Club of Chicago, at which one of the leading corporate donors said that the arts and humanities could not expect to receive the same kind of support, given the fact that other programs were having to come to them, and you get to a priority issue, so we expect to have difficulty this year.

Mr. GREGORIAN. May I interject?

It is fair to say some individual gifts in our case have increased, but they would like to name buildings after them, and so forth.

NEH has been helpful in areas which are not sexy, like preservation of national heritage. Nobody is going to give you $2 million to restore books in their name.

It is in an area that NEH has been enormously helpful for general operations.

Mr. YATES. Can I get your consensus on this?, I am sure all of you are familiar with this report done by the Commission on the Humanities in 1964. Dr. Gray mentioned that she regretted that we again have to justify Federal assistance for the humanities. I am so impressed with this report and reading one page does not do justice to all the beautiful statements in it. But it seems to me that the first and second paragraph relate to what all three of you are saying, and that is this:

> The humanities are the study of that which is most human. Throughout man's conscious past they have played an essential role in forming, preserving, and transforming the social, moral, and aesthetic values of every man in every age. One cannot speak of history or culture apart from the humanities. They not only record our lives; our lives are the very substance they are made of. Their subject is every man. We propose, therefore, a program for all our people, a program to meet a need no less serious than that for national defense. We speak, in truth, for what is being defended—our beliefs, our ideals, our highest achievements.
>
> The humanities may be regarded as a body of knowledge and insight, as modes of expression, as a program for education, as an underlying attitude toward life. The body of knowledge is usually taken to include the study of history, literature, the arts, religion, and philosophy. The fine and the performing arts are modes of ex-

pressing thoughts and feelings visually, verbally, and aurally. The method of education is one based on the liberal tradition we inherit from classical antiquity. The attitude toward life centers on concern for the human individual: for his emotional development, for his moral, religious, and aesthetic ideas, and for his goals—including in particular his growth as a rational being and a responsible member of his community.

That is a pretty good summation as to what the humanities try to do as disciplines, and what the Commission on the Humanities is essentially trying to promote.

Would you agree with that statement?

Ms. GRAY. Very much so.

Mr. YATES. Are there other statements you wish to make before we dismiss you?

Mr. BOYD. One point: coming back from the standpoint of having been associated with the university, I really feel when we are talking about the National Endowment for Humanities, we are talking about the same degree of importance when we talk about the National Science Foundation.

Mr. YATES. Yes, and they started out in 1966 with $479 million, received a cut in 1970 to $438 million, an increase to $763 million in 1975, and in 1980 they received $903,793,000.

The 1983 request, I am told, is $1.055 billion.

I don't suppose that can be looked on in any way except as moving in the direction toward the promotion of science, which all of us want. If only we could also capture a significant amount of money as well for the promotion of the humanities, which has to go hand-in-hand with the development of sciences.

Mr. BOYD. And it is just as fundamental to the well being of the country as the advancement of science, which I put a high premium on, and also on the humanities and arts.

Mr. YATES. When you think of the way that missiles are being fired between Argentinian and British destroyers, and how science has promoted that, perhaps the humanities can find some way of bringing them to peace.

Perhaps we should think about that. At any rate, thank you very much for your statements. I am delighted that you came. We have other great scholars who are going to grace the table.

FRIDAY, MAY 7, 1982.

SUPPORT FOR SCHOLARSHIP

WITNESSES

JOHN WILLIAM WARD, PRESIDENT-ELECT, AMERICAN COUNCIL OF LEARNED SOCIETIES

JOEL CONARROE, EXECUTIVE DIRECTOR, MODERN LANGUAGE ASSOCIATION

JOAN HOFF-WILSON, EXECUTIVE SECRETARY, ORGANIZATION OF AMERICAN HISTORIANS

Mr. YATES. Support for Scholarship: Mr. John William Ward, President-Elect, American Council of Learned Societies; Joel Conarroe, Executive Director, Modern Language Association; Joan Hoff-Wilson, Executive Secretary, Organization of American Historians, who wants to lead off.

Should you go first now that we have support for ERA?

Ms. **Hoff-Wilson.** I am Joan Hoff-Wilson. I am Professor of History at Indiana University and Executive Secretary of the Organization of American Historians, OAH, which is the largest learned society in the country devoted exclusively to the study of United States history.

For a number of years, I have been an NEH panelist and proposal reviewer for several different programs. From 1978 to 1980, I also served as a member of the Arizona Humanities Council. In each capacity I have been impressed with their quality of peer review, the professionalism of NEH staffs, and the gradual broadening of NEH horizons.

After all, I think it somewhat fair to say it began 17 years ago as an Agency which operated on the assumption that quality—and indeed the very essence of the humanities—resided only in eastern elite schools and evolved into one which now encourages and seeks excellence in the humanities at all levels of academic and community life.

I want to stress some aggregate figures today. For example, currently there are 27,189 names in the Reviewer, Evaluators, and Panelists Systems—REPS—pool at the Endowment. Between 1965 and 1978, there were only 7,000 names in this pool. At the beginning of fiscal year 1979, there were 14,159; by the end of fiscal year 1980, 20,050, and now over 27,000.

This increase indicates how the peer review process has been opened up to include new fields of humanistic research and to acknowledge that other than white males can qualify as humanistic scholars. Yet there has already been a decline in the percentage of women in the pool—from 44.5 percent in 1979 to 39.6 percent in 1980. While utilization of female and minority members of the pool on panels went up from 1979 to 1980—women, 42.9 percent to 46.1 percent, and minorities 15.1 percent to 17.2 percent—the REPS number must be kept at approximately its current level to ensure adequate female and minority representation on panels in review and evaluation capacities.

What will happen to these gains if budgetary constraints are used to justify a return to a highly personal definition of the humanities and a questioning of peer review?

A partial answer can be found implicitly in recent interviews by the new head of the Endowment and explicitly in some of his actions, which include overruling an unprecedented number—15—of panel and Council recommendations in the last 3 months.

I do not believe, as William J. Bennett, Chairman of the Endowment does, that the Agency has suffered from "grade inflation"—Washington Post, March 2, 1982—due to overly generous appropriations or that generous appropriations or that the draconian 27 percent budget cut from fiscal year 1982 suggested by the Administration for 1983 will automatically improve the quality of projects granted awards—the Reagan request actually represents a 37 percent reduction from fiscal year 1981.

Instead, such a disproportionate cut could easily be used to undermine both peer review and the progress made to date by the Endowment toward redefining the humanities to make it more relevant in an increasingly technological society.

Today, I want to concentrate my remarks on the importance of the Endowment's support for individual scholarship, primarily as represented by the four categories I am most familiar with, both from a personal and professional perspective. They are one, fellowships for independent study and research; two, fellowships for college teachers; three, summer seminars for college teachers; and four, summer stipends.

What is worth noting here is that what you have, in essence, is a very small percentage of the budget right now going for fellowships.

The first thing that I wanted to point out is that appropriations for the entire fellowship program has hovered around 10.5 percent of the total Endowment budget for the last 17 years. Under proposed fiscal year 1983, it would decline to a new low of 9.5 percent.

Although the percentages increase slightly if one uses the definite program budget figures rather than the entire budget, the fact remains that the actual dollar figures would be lower for the first two major fellowship categories I listed above: $5,350 million in fiscal year 1983, or 15 percent less than 1982, compared to $6,279 in fiscal year 1982, which was 10 percent lower than 1981.

Moreover, the cuts for the four categories I am concerned about would range from 6 percent lower—for fellowships for college teachers—to 36 percent lower—for summer seminars for college teachers—than these same categories under fiscal year 1982. Under fiscal year 1982 these same categories were only 3 percent to 18 percent lower than fiscal year 1981.

If one removes the summer seminars program from the other three categories of fellowships—as indeed the Endowment, itself, does in terms of its internal administrative structure—you find that fellowships for independent study an research, fellowships for college teachers, and summer stipends have amounted to no more than 5 to 6 percent of the total NEH budget in recent years.

If one only considers the two major fellowship categories originally known as Older and Younger Humanists, then designated Category A and B; and now called Fellowships for Independent Study, and Research and College Teachers, the range falls to between 4 and 5 percent of the total budget.

More cuts in an already miniscule segment of the NEH budget are simply unacceptable.

Moreover, the idea that "grade inflation" has taken over at the Endowment is simply not true for fellowship program. Approval of the widely quoted 1 in 3 grant applications cited by Chairman Bennett has never applied to the fellowship division.

I sympathize with the political pressure Chairman Bennett is under to justify the administration's proposed $96 million budget for NEH. I simply do not think he should do so by indiscriminately casting aspersions upon the quality of recent awards and hence upon the entire peer review system.

Over the years the average approval ratio for fellowship grants has been 6 to 1. We normally hear the figure 1 in 3, but it has always been 1 out of 6, and I stress this because the fellowship division has had very high quality control all along, and it is somewhat misleading to use carelessly the figure 1 out of 3, when, in fact, it has been 1 out of 6 within the fellowship division.

For the senior fellowship category, 1 out of 7 or 8, and, on occasion, as high as 1 out of 11.

Although applications in that senior category have fallen in the last year, you find, according to the rating system, the quality has remained the same.

However, more applicants were affiliated with elite schools, thus narrowing the pool to a narrower socio-economic, ethnic, racial and gender base. Perhaps it is this narrower base which Mr. Bennett equates with quality in the humanities, but which he chooses to camouflage by talking in terms of "grade inflation."

Small as the percentages for individual fellowships are when compared to the total NEH budget, they are currently a principal support source of funding for scholars in the humanities working on independent research and study projects.

Between 1967 and 1981, the Endowment granted 7,577 individual fellowships in these areas. I am happy to report that approximately 23 percent of all of these fellowships went to historians. It goes without saying that the Organization of American Historians believes that those individual fellowships which were awarded to historians provided invaluable support for research and study projects for which it would never have been possible to raise from private sources.

You have heard others testify, and you will hear more today, indicating why this is the case. I would like to move on to try to indicate what some of these aggregate figures mean for an individual scholar like myself.

My original field of specialty is foreign economic policy, and it still is, but in 1973, I received what was then called an NEH Younger Humanist Fellowship. This project launched me on a career in the field of women's history, which I would not have been able to undertake otherwise.

Ten years ago, when I began to be interested in women's history, the Endowment was one of the few public or private funding agencies willing to take a chance on this new field. Women's history has since developed into one of the more exciting and fruitful areas of research within what is known as the "new" social history. My career in this additional field is well established, thanks to the Endowment. But I fear for younger historians who want to branch out as I did, or who simply want to pursue their current fields of specialization, especially the newer ones in family history, women's history, public history, and the quantitative methods so often utilized by the "new" social historians. With so little of the total NEH budget allotted for fellowships now declining, will there be funding for them to seek as there was for me?

I also fear that the budget cuts for fiscal year 1983 will disproportionately affect female and minority applicants from less elite colleges and universities unless peer review based on the present REPS pool is jealously guarded by the friends of NEH. Current Endowment figures already indicate that threatened budget cuts have been primarily from public 4- and 5-year institutions, not private, ivy league and other elite institutions. But the former, that is, the public institutions, are the very institutions where most minority and female applications originate.

Just as this Administration has indirectly discouraged poor and lower middle-class students from aspiring to obtain financial aid for their education, it is also discouraging relative "newcomers" to the world of scholarship and grantsmanship—women and minorities—from applying for fellowships with talk of excessive cuts in the Endowment budget.

If all the proposed Reagan cuts to the Endowment, for the National Archives, State and local repositories, museum and historical societies, and aid to education in general were to be implemented by this Congress, a generation of scholars could be wiped out in this decade because they were not perceived in the short run to be cost effective.

Such economies now would result in an inestimable long-term loss in the future intellectual life and productivity in this country. Let us begin to hold on to a tiny part of this unappreciated, but most valuable of national treasure troves—the humanities—by funding NEH in fiscal year 1983 at the recommended $144 million that you came up with last year. This is slightly below fiscal year 1981 and above fiscal year 1982 and would be appropriate in light of the current economic situation facing the country.

Thus, the Organization of American Historians strongly opposes the illogical notion that a $96 million appropriation for 1983 will increase quality in the humanities, especially in the fellowship programs which have so greatly benefited historians. It will, instead, simply ensure less quality in American intellectual life one or two generations down the road.

[Ms. Hoff-Wilson's prepared statement follows:]

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TESTIMONY BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, AT HEARINGS ON THE BUDGET FOR THE NATIONAL ENDOWMENT FOR THE HUMANITIES

Dr. Joan Hoff-Wilson
Executive Secretary
Organization of American Historians
May 7, 1982

My name is Joan Hoff-Wilson. I am Professor of History at Indiana University and Executive Secretary of the Organization of American Historians (OAH), which is the largest learned society in the country devoted exclusively to the study of United States history. Most of the nearly 13,000 institutional and individual members of the Organization have been touched by the work of the National Endowment for the Humanities either directly through grants or indirectly through the products of such grants.

For a number of years I have been an NEH panelist and proposal reviewer for several different programs. From 1978 to 1980, I also served as a member of the Arizona Humanities Council. In each capacity I have been impressed with their quality of peer review, the professionalism of NEH staffs, and the gradual broadening of NEH horizons. After all, it began seventeen years ago as an agency which operated on the assumption that quality (and indeed the very essence of the humanities) resided only in eastern elite schools and evolved into one which now encourages and seeks excellence in the humanities at all levels of academic and community life.

For example, currently there are 27,189 names in the Reviewer, Evaluators, and Panelists Systems (REPS) pool at the Endowment. Between 1965 and 1978 there were only 7,000 names in this pool. At the beginning of FY 1979, there were 14,159; by the end of FY 1980, 20,050. This increase indicates how the peer review process has been opened up to include new fields of humanistic research and to acknowledge that other than white males can qualify as humanistic scholars. Yet there has already been a decline in the percentage of women in the pool (from 44.5% in 1979 to 39.6% in 1980). While utilization of female and minority members of the pool on panels went up from 1979 to 1980 (women--42.9% to 46.1% and minorities 15.1% to 17.2%), the REPS number must be kept at approximately its current level to ensure adequate female and minority representation on panels in review and evaluation capacities.

What will happen to these gains if budgetary constraints are used to justify a return to a highly personal definition of the humanities and a questioning of peer review? A partial answer can be found implicity in recent interviews by the new head of the Endowment and explicity in some of his actions which include overruling an unprecedented number (15) of panel and Council recommendations in the last three months.

I do not believe, as William J. Bennett, chairman of the Endowment does, that the agency has suffered from "grade inflation" (Washington Post, March 2, 1982) due to overly generous appropriations or that the draconian 27% budget cut from FY 1982 suggested by the administration for 1983 will automatically improve the quality of projects granted awards. (The Reagan request actually represents a 37% reduction from FY 1981.) Instead, such a disproportionate cut could easily be used to undermine both peer review and the progress made to date by the Endowment toward redefining the humanities to make it more relevant in an increasingly technological society. It could also set the stated purposes of the Endowment back ten years because the proposed FY 1983 reduction is, in the words of James M. Banner, Jr., Chair of the Board of Directors of the American Association for the Advancement for the Humanities, "contemptuous of the very principle of investment in future productivity that the administration espouses." (HUMANITIES REPORT, March 1982, p. 3)

Today, I want to concentrate my remarks on the importance of the Endowment's support for individual scholarship, primarily as represented by the four categories I am most familiar with both from a personal and professional perspective. They are: 1) fellowships for independent study and research; 2) fellowships for college teachers; 3) summer seminars for college teachers; and 4) summer stipends.

The first thing that I wanted to point out is that appropriations for the entire Fellowship Program has hovered around ten and one half percent of the total Endowment budget for the last seventeen years. Under proposed FY 1983 it would decline to a new low of 9.5 percent. Although the percentages increase slightly if one uses the definite program budget figures rather than the entire budget, the fact remains that the actual dollar figures would be lower for the first two major fellowship categories I listed above: ($5,350 million in FY 1983, or 15% less than 1982 compared to $6,279 in FY 1982 which was 10% lower than 1981). Moreover, the cuts for the four categories I am concerned about would range from 6% lower (for fellowships for college teachers) to 36% lower (for summer seminars for college teachers) than these same categories under FY 1982. Under FY 1982 these same categories were only 3% to 18% lower than FY 1981.

If one removes the Summer Seminars program from the other three categories of fellowships (as indeed the Endowment itself does in terms of its internal administrative structure), you find that Fellowships for Independent Study and Research, Fellowships for College Teachers, and Summer Stipends have amounted to no more than 5 to 6 percent of the total NEH budget in recent years. If one only considers the two major fellowship categories originally known as Older and Younger Humanists; then designated Category A and B; and now called Fellowships for Independent Study and Research and College Teachers, the range falls to between 4 and 5 percent of the total budget. More cuts in an already miniscule segment of the NEH budget are simply unacceptable.

Moreover, the idea that "grade inflation" has taken over at the Endowment is simply not true for fellowship program. Approval of the widely quoted 1 in 3 grant applications cited by Chairman Bennett has never applied to the fellowship division. I sympathize with the political pressure Chairman Bennett is under to justify the Administration's proposed $96 million dollar budget for NEH. I simply do not think he should do so by indiscriminately casting aspersions upon the quality of recent awards and hence upon the entire peer review system.

Over the years the average approval ratio for fellowship grants has been 6 to 1. But I stress that this is the average. In the Fellowships for Independent Study and Research it has been 1 in 7 or 8 consistently during the Endowment's history and on occasion has been as high as 1 in 11. Only this last year when applications dropped because of the chilling effect of talk about drastic cuts did that ratio fall to 1 in 5. Thus Chairman Bennett has misled Congress and the public by claiming that "if the number of proposals coming in is constant [which he should know it has not been this last year] and the number of grants going out drops somewhat because of decreased budget, this should result in the funding of better proposals." (HUMANITIES REPORT, April 1982, p. 17)

In fact, the opposite has happened with respect to the most prestigious fellowships offered to senior scholars for independent study and research: applications have dropped from 1400 in 1981 to 1100 in 1982, but according to the rating system, the quality remained the same. However, more applicants were affiliated with elite schools thus narrowing the pool to a narrower socio-economic, ethnic, racial and gender base. Perhaps it is this narrower base which Mr. Bennett equates with quality in the humanities, but which he chooses to camouflage by talking in terms of "grade inflation." (Parenthetically, I should like to add that the ratio for the Summer Stipends program has also consistently been 1 out of 7 or 8. It also only dropped to 1 in 5 this past year and for the same reasons I have just noted.)

Small as the percentages for individual fellowships are when compared to the total NEH budget, they are currently a principal support source of funding for scholars in the humanities working on independent research and study projects. NEH fellowships, awards that enable teachers to participate in seminars, and summer stipends have provided important stimulation to the study of the humanities. Between 1967 and 1981 the Endowment granted 7,577 individual fellowships in these areas. I am happy to report that approximately 23 percent of all of these fellowships went to historians. It goes without saying that the Organization of American Historians believes that those individual fellowships which were awarded to historians provided invaluable support for research and study projects for which it would never have been possible to raise from private sources.

I know there is a prevailing assumption in Washington these days that if you cannot sell a product in the private sector something must be wrong with it. This indiscriminate application of supply and demand economics to the humanities and scholarly pursuits in general demonstrates either a deep-seated hostility to, or misunderstanding of, the difference between the arts and the humanities. It is very much analogous to another distinction this administration refuses to make, namely, the difference between the popular appeal of two-and three-dimensional objects. Obviously, the three-dimensional artifacts of the Smithsonian attract more corporate and general public support than the millions of cubic feet of two-dimensional documents stored and processed by the National Archives and Records Service. The same distinctions exist in the corporate and public mind regarding the arts and the humanities. The fine arts, the visual arts, and the performing arts attract more private funds and popular interest than curriculum development or individual research. It is the difference, if you will, between raising 40 million dollars to film one movie like "Reds" and failing to raise the less than $4,000 which the Endowment granted to publish the letters of nineteenth-century historian and journalist Lydia Maria Child.

According to the Conference Board Study, profitability and sense of concrete return have been and will continue to be the basic motivating factors behind corporate giving.

Moreover, the American Association of Fund-Raising Council has noted that in 1979 a total of 2.49 billion dollars was contributed from all public and private sources for the arts and humanities compared to less than 100 million dollars now being requested for NEH under FY 1983. While these figures contradict OMB's assertion that "the Federal Government is financial patron of first resort" for "artistic and literary pursuits," most of these private donations (67% of which came from individual gifts) do not trickle down to individual humanists' pursuit of scholarship.

There is no indication that the motives behind giving and the preference for the arts over the humanities will change under Reaganomics. Thus, investment from the "top," that is, the federal government, is all the more essential in hard economic times to set an example for the private sector and to preserve the quality of humanistic teaching and research. Corporations and individual contributors simply do not believe in a "delayed gratification" approach to funding, even in good times. Unfortunately, returns on investments in the humanities are almost never as concrete or immediately satisfying in good or bad times as private donors' expectations. There are logical explanations for this well-known phenomenon, which I now want to generalize about and then make more concrete by taking my own career as an example.

While popular imagination has clothed the concept of basic scientific research in graphic images--the overflowing beaker, cries of "Eureka!" white coats, the falling apple--no reciprocal fantasy lends glamour to the process of fundamental research in the humanities. What humanities scholars actually do--meticulously scanning every scrap of paper in a manuscript collection, sitting at a typewriter for countless hours, staring out the window lost in thought--admittedly lacks grandeur, and so may the tangible results. "Another damned, thick, square book!" as the Duke of Gloucester said when presented with Volume II of the Decline and Fall of the Roman Empire. "Always scribble, scribble. . . Eh, Mr. Gibbon?" Thus are gazetted great victories on the frontiers of knowledge.

Doing fundamental work in history, philosophy, linguistics and other humanities disciplines is a lonely and grueling (though occasionally exhilarating) enterprise tht combines footslogging work with creativity (no one can say what the proportions are or ought to be) toward one end--a contribution to the genetic pool of concepts and ideas.

The scholar, said Emerson, "must be a solitary, laborious. . . soul. He must embrace solitude as a bride. . . that he may become acquainted with his thoughts."

Solitude for study and reflection has, since Emerson wrote, become increasingly difficult to attain. The majority of practicing scholars are bound by the exigencies of contemporary academic life; they work full time as teachers, committee members, student counselors and statesmen of university governance. Each year, however, NEH grants support to some 600 scholars and teachers for full-time independent study, research and writing in the form of individual fellowships. These may be two-month summer stipends or awards covering up to a full-time independent study, research and writing in the form of individual fellowships. These may be two-month summer stipends or awards covering up to a full year of study.

> The operative word is "independent." The program is NEH's major instrument for fostering the meat and potatoes work that keeps the body of humanities nourished. These fellowships are among the most sought after NEH grants; the [average] ratio of applications to grants available is six to one. In 1980, 638 were awarded, although more than 4,000 applications were received.
>
> Some individual fellowships allow teachers at small colleges to reside at major universities and take part in research seminars directed by distinguished scholars in their fields. Concurrently the fellows proceed with their own independent work. They return to teaching with wider perspectives and a familiarity with new concepts and methods which become an integral part of their scholarly arsenal.
>
> The majority of NEH individual fellowships support senior professors who do fresh research or complete work in progress, scholars in mid-career, and young teachers who need the breathing space to write a first book. Fellowships are also awarded to people with no institutional affiliation.
>
> Only two generalizatons hold true: a fellowship is granted for research unequivocally considered a contribution to humanities teaching or scholarship, and because the individual doing the work is judged uniquely qualified. Thus the fellowship programs cast a net wide enough to catch an array of variously talented men and women, all with one thing in common: a demonstrated commitment to the humanities. (HUMANITIES, May/June 1980, p. 16)

What does all of this mean if one looks at the life of the individual humanist scholar like myself? My original field speciality was foreign economic policy, and I continue to research and write in this area. In 1973, however, I received what was then called the NEH younger humanist fellowship to study the life of the western suffragist, Anne Henrietta Martin (1875-1951). This project launched me on a career in the field of women's history which I could not have otherwise been able to undertake. Since then I have taught courses and published articles in the field of women's history, two of which have won national and regional awards. More recently, through an NEH independent research grant, I began to specialize in the field of women's legal history and in 1979 published a general study on this subject. More recently, with the aid of money from Project '87, an NEH-fund constitutional studies program, I have completed a monograph on a more specialized area having to do with the impact of the American Revolution on the legal status of women. I currently hold a Guggenheim fellowship to study the legal theories of the historian Mary Ritter Beard--a project which is the direct outgrowth of these earlier NEH projects.

Ten years ago, when I began to be interested in women's history, the Endowment was one of the few public or private funding agencies willing to take a chance on this new field. Women's history has since developed into one of the more exciting and fruitful areas of research within what is known as the "new" social history. My career in this additional field is well established, thanks to the Endowment. But I fear for younger historians who want to branch out as I did or who simply want to pursue their current fields of specialization, especially the newer ones in family history, women's history, public history, and the quantitative methods so often utilized by the "new" social historians. With so little of the total NEH budget alloted for fellowships now declining, will there be funding for them to seek as there was for me?

I also fear that the budget cuts for FY 1983 will disproportionately affect female and minority applicants from less elite colleges and universities unless peer review based on the present REPS pool is jealously guarded by the friends of NEH. Current Endowment figures already indicate that the drop in applications due to threatened budget cuts has been primarily from public 4 and 5 year institutions, not private, ivy league and other elite institutions. But the former are the very institutions where most minority and female applications originate. Just as this Administration has indirectly discouraged poor and lower middle class students from aspiring to obtain financial aid for their education, it is also discouraging relative "newcomers" to the world of scholarship and grantsmanship - women and minorities - from applying for fellowships with talk of excessive cuts in the Endowment budget.

If all the proposed Reagan cuts to the Endowment and for aid to education in general were to be implemented by this Congress, a generation of scholars could be wiped out in this decade because they were not perceived in the short run to be cost effective. Such economies now would result in an inestimable long-term loss in the future intellectual life and productivity in this country. Let us begin to hold on to a tiny part of this unappreciated but most valuable of national treasure troves--the humanities--by funding NEH in FY 1983 at the recommended 148 million dollars by the National Humanities Alliance. This is slightly below FY 1981 and above FY 1982 and would be appropriate in light of the current economic situation facing the country.

Thus the Organization of American Historians strongly opposes the illogical notion that a 96 million dollar appropriation for 1983 will increase quality in the humanities, especially in the fellowship programs which have so greatly benefited historians. It will, instead, simply ensure less quality in American intellectual life one or two generations down the road.

Mr. Yates. Thank you for a very good statement.

I should point out that it is going to be almost impossible to achieve the level of funding that was received last year, because of the authorization levels that were established by the Gramm-Latta budget bill.

That bill creates authorization levels of $119.5 million, I think, for the arts and $113 million for the humanities.

Unfortunately, under congressional rules, those levels may not be exceeded unless under very special circumstances, which will be very difficult to create this year, There is a proscription there that has to be considered.

I would love to say that we could deal with the level you sugested, but I do not think it is possible.

Mr. Ward, you are the successor to Bob Lumiansky, head of the American Council of Learned Societies.

Mr. Ward. Yes, sir.

Mr. Conarroe. I am glad to be here with someone whose name is known and admired by those of us in education and humanities.

I am Joel Conarroe, Executive Director of the Modern Language Association of America—or, more commonly, the MLA, since, like our friends in Government, we in the humanities have a taste for acronyms—and editor of PMLA, the journal that publishes papers submitted by our members. I am also Professor of English—on leave—at the University of Pennsylvania.

Our President of MLA, Wayne Booth, is Professor of English at the University of Chicago.

I am speaking for him and other members of our executive council, for all of our commissions and committees, and for our nearly 27,000 members, when I say what I have to say about our feeling of the importance of the NEH, our hope that the funding will not be cut and our reasons for so thinking.

What I have to say has to do with literature and language, but I think were any of my colleagues in the ACLS Council of Secretaries here to join Joan Hoff-Wilson, who is one, they would all say pretty much the same thing; so if what I say seems to be focused on literary scholarship, it could be about musical, art history, philosophy, and other disciplines.

I want to provide an informal gloss on my informal presentation, which is in the record, and concentrate on three topics.

I bring you the greetings of John Brademas, with whom I had breakfast yesterday, and he spoke about your work with the museum presentation. I told him in my formal testimony, I quote the other Yeats.

Mr. Yates. The one whose name is misspelled?

Mr. Conarroe. The phrase "Monuments of Unaging Intellect", and that is one of the themes I would like to touch on briefly.

In my formal report, I discuss some of the projects that have simply come to my attention in the last few days, and they are selected from literally hundreds of possibilities, and I describe them.

One is Wing's Short-Title Catalogue, a book which was funded by the NEH and which has recently been published.

This is a book, as I say in my testimony, that will not be read in a hammock on a summer's afternoon in Vermont. It will be housed in libraries.

It will never be on the Best Seller List, but it will be used after the Gorky Parks are long forgotten, and it will have a valuable effect on every scholar who is doing research on a particular period of history, and the influence won't be felt right away, but it is in a way a monument. It took a long time to build it. It is going to be around for a long time, and I think it is going to be very important.

The same is true with our bibliography. We document 50,000 books and articles that have been published in the field in that year, and thanks to the NEH, we are now able to provide scholars with additional information, describing, indexing, the nature of the work that is done, so this is going to improve scholarship and improve all of the work that is drawn on the bibliography, and the number of people influenced. The indirect beneficiaries of this NEH funding cannot be measured.

Last night, at one of my favorite places, the New York Public Library, we celebrated the publication of the Library of America, which has major NEH funding.

This is the series that makes available to the general readers our great classic writers, Twain, Hawthorne, and others.

MLA some years ago had major grants from NEH to provide accurate texts of these writers. Textural scholarship does not make the front page of the New York Times or get Gene Shalit's approbation. Even Gene Shalit had good things to say about the New York Library.

It is a foundation on which this later series of books is built. Again, the point that I want to make is the number of people influenced by this NEH funding all over the country in every little town, in every major city of the country, cannot be measured. Many will be exposed for the first time to our great writers and reading them in the best possible texts.

I would like to follow up on something Joan said about quality. I am the editor of our scholarly journal, and we get hundreds of submissions. Our editorial board selects from those and chooses the best ones for the journal.

Part of my function, it seems to me, as an editor, is to encourage our members to send us their best work, to provide a kind of invitation, a kind of challenge to them, which is going to tap their potential.

It seems to me the humanities in the U.S. has an enormous untapped potential; and when we are talking about quality, we are only talking about what we have seen, the tip of the iceberg we have seen.

A cut, it seems to me, to $96 million, may be a self-fulfilling prophecy in the sense that we are sending out certain kinds of signals to our fellows in the humanities, but also to the world of private enterprise, and it may be that what comes in will reflect that kind of attitude.

It seems to me more generous funding, a kind of symbolic statement about the importance of the humanities is going to create certain signals that will be picked up.

We are really not justifying the NEH, but we are touching on some of the things the NEH does.

I have not talked about aid to individual scholars. I have been talking more about communal projects and the fact that they influence enormous numbers of people. Even the grants to individual scholars have an impact that we cannot measure, because scholarship is related to teaching, and if a scholar is at the forefront of his field engaged in the excitement of intellectual research, it will carry into his teaching and affect all of those individuals who come in contact with him.

Those are the main points I wanted to make.

[Mr. Conarroe's prepared statement follows:]

Testimony by Joel Conarroe on NEH budget. House Subcommittee on Interior and Related Agencies. May 7, 1982.

I am Joel Conarroe, Executive Director of the Modern Language Association of America--or, more commonly, the MLA, since like our friends in government, we in the humanities have a taste for acronyms--and editor of *PMLA*, the journal that publishes papers submitted by our members. I am also Professor of English (on leave) at the University of Pennsylvania. I am here to speak on behalf of nearly twenty-seven thousand members, those who teach in departments of literature and language throughout the country and also those who do not hold academic appointments. These are, as you know, difficult times for our profession, particularly for young teacher-scholars, and it is especially with these junior colleagues in mind that I say that the humanities have never been in more need of funding. But I express the collective view of the entire membership in opposing any reduction in funding for the NEH and in urging your generous support for this institution, which contributes so much to the quality of research, education, and public activities in the humanities.

There are many ways in which the NEH is valuable to those of us in the fields of language, linguistics, and literature. Were there time, I would comment on such essential programs as the Bay Area Writing Project, the ongoing writing project involving Georgetown University and D.C. public schools, Ohio State's project for individualization of instruction in foreign languages, the survey of successful language instruction programs conducted by Renate Schulz and published by the MLA, Richard Lambert's research study on attrition in language learning, consultant grants to assist small—often isolated—departments in developing new courses, and many more. In the interests of brevity, however, I will limit my comments to some "communal" projects that have especially engaged my attention during the past several days, projects that I am convinced strengthen the foundations for humanistic study.

1. Last week the MLA published volume 2 of Wing's *Short-Title Catalogue*, prepared at Yale University by a team of researchers supported by the NEH and by the John Ben Snow Foundation. This work, years in the making ("monuments of unaging intellect," to use the phrase of another Yeats, take a long time), marks an important stage in the preparation of a complete listing of all books printed in England, Scotland, Ireland, Wales, and British America, as well as books

printed in English in other countries, during the years 1641-1700, with information on where copies of these volumes can be located. This nearly seven-hundred-page reference tool is not, needless to say, intended for hammock reading during a summer afternoon. Rather, housed in libraries all over the world, it will be of inestimable value to anyone doing research in this unusually rich period of history. Without the NEH the work would still be a dream--and scholars don't have much success getting facts from dreams.

2. Another MLA-sponsored research tool is also indebted to NEH funding, without which it would exist, if not as a dream, in much less useful form than now. For the *MLA International Bibliography*, we are this year introducing a sophisticated computerized indexing system, made possible through NEH funds. It will enable users of all sorts--from undergraduates to businessmen, from senior scholars to members of Congress--to identify not just authors and titles of books and articles published during any given year but also such precise information as the subject covered and the approach used in a specific work. This system will improve the quality of research, enhance the work produced, and thus, ultimately, benefit anyone who uses any study that draws on the bibliography. There is no way of measuring the thousands (probably millions) of indirect beneficiaries of the NEH who will profit from this essential reference work, whether they are in Dallas or Denver, Portland or Peoria. Moreover, our colleagues in related disciplines, including history, music, philosophy, and art history, are now exploring our procedures, and presumably they too will enjoy the fruits of the NEH grants to the MLA, with the number served swelling dramatically.

3. This week our Convention Program Committee evaluated sessions proposed by members all across the nation and selected those likely to produce a stimulating and varied meeting. As in other years, some of the strongest proposals were submitted by young scholars who had met during NEH Summer Seminars and who want to continue their dialogues on particular subjects. It is absolutely right that the intellectual excitement created by these seminars during the summer should persist well past the end of the formal sessions. Like the fellowships to individuals, these seminars have a worth that goes beyond any given time or place. And I know, from talking with colleagues who live in remote parts of the country, of the stimulation and revitalization provided by

yet another valuable program, the Residential Fellowships for College Teachers. It would be a great loss—an incalculable one—if this program were cut back at all. We put ourselves on record, too, enthusiastically in support of Mr. Bennett's proposed summer programs for high school teachers, surely a high priority for the 1980s. For every teacher enlightened and inspired, hundreds of young lives will be affected in important ways.

4. Finally, just last night I attended a celebration in the New York Public Library (which deserves a testimonial all to itself) for the Library of America, a publishing venture that has been funded by NEH and the Ford Foundation. Some years ago NEH grants went to the MLA's Center for Editions of American Authors, which had as its primary function the establishing of accurate texts of our classic writers—much of what was available to general readers was in shockingly mangled form. Our project complements, in a number of ways, the current publishing endeavor. It is not coincidental that many of those centrally involved in the Library of America were also contributors to the MLA project or that texts used in the series are, wherever possible, those established through the earlier NEH funding. Without the pioneering textual work (unglamorous but absolutely essential) funded by the NEH, the widely praised Library of America would be a waste of taxpayers' money. Like the other projects I have touched on, this program will have an influence that can't really be measured—readers all over the world will be exposed, many for the first time, to Melville and Hawthorne, to Twain, Howells, and other great American writers. And they will read these authors in the best available texts.

I close by reiterating the importance, both actual and symbolic, of increased financial support for the humanities at this particular time. Our association recently completed a study on "The Future of the Profession," in which we emphasize this point: "Measured by the standards of most societies, Americans have been generous in their support of research. Private philanthropy and, in recent decades, government agencies have made possible levels of support that would have astonished earlier generations. It does not follow, however, that we have had a surfeit of support or that we should accept cuts submissively. We all know that some funds will go to projects that look strange (or look that way to the occasional unsympathetic lawgiver) but we should not allow our differences of opinion about who should be funding what, or about which of our projects or theories are best, to obscure our most fundamental concerns. We recommend that members of the MLA seek ways, locally, regionally, and nationally, to increase public support of good scholarship and of the good teaching that is its twin."

This we certainly intend to do.

Mr. YATES. Thank you very much.

Congratulations upon your new offie.

Mr. WARD. A marvelous job.

Mr. YATES. Quite an august title, too.

Mr. WARD. I am John William Ward. I have been a teacher all my adult life, a professor of American history and literature and was President of Amherst College.

For the past 2 years, I served pro bono, by the appointment of the Governor, as chairman of a special commission to investigate corruption and maladministration in the construction of State and county buildings in the Commonwealth of Massachusetts. I am presently associated with the American Council of Learned Societies and will, on July 1, become its next president.

Mr. YATES. You have the Folger in your hands, a pretty good operation.

Mr. WARD. Mr. Hardison is in the back of the room.

One of the great delights is to have an association like the Folger, and since you brought it up, since we are talking about the National Endowment, the National Endowment made a challenge grant to the Library of $750,000, and Mr. Hardison raised $7.6 million. And in what I would call a catalytic or leadership of NEH matching grants out of Treasury funds and challenge grants institutions is one of the great leverage effects that the Endowment has had in our work.

I have actually joined the American Council of Learned Societies and I will precede Mr. Lumiansky.

Mr. YATES. Good.

Mr. WARD. The Folger, through matching grants and challenge grants, the importance of the National Endowment in our intellectual life, picking up a little bit on what Joel just said, the history of the National Endowment has been intelligence in recognizing the interplay between individual talent and institutional setting, in giving grants to individual scholars, but also supporting those institutions which are vital, essential to their lives, like the great research libraries.

The most important thing for the National Endowment for the Humanities is that it symbolizes a political commitment to the importance of our mind in life in the United States.

I feel like Dr. Gray climbing that mountain again, but one has to do it over and over again.

Why are the humanities important? I was having breakfast recently with the chairman of a board of a major corporation, and he said to me it was much easier to get his board to give money to the arts, because they were "there"; you go watch a ballet, look at a picture. He did say to me, you people deal with ideas, sort of insubstantial things, and the board of his corporation, he said, has a very hard time understanding what it is being asked to support.

I understood what he was saying, but that was a curious remark from an American, since the Republic was founded on an idea, and since the whole history of the United States may be understood in one way as the attempt to realize the ideas of the Declaration of Independence and the Constitution in the changing circumstances of history, but the humanities do deal with ideas, language, with words and their meanings, with an understanding of historical change, with questions of value, questions of judgment.

That is why I think the symbolic meaning of the Endowment is so important, because it represents an act of political faith that the achievements of disciplined intelligence and trained imagination are a matter of proper concern to you, to your committee, to those who represent us in the public life.

What especially concerns me today is that as important as the Endowment has been in the past, I think it will be much more important over the next 20 years.

Mr. YATES. If it survives.

Mr. WARD. Well, I felt badly but I didn't feel that badly.

Mr. YATES. I know. You can see the way the curve is going, though, unfortunately.

Mr. WARD. Given the objective circumstances, Mr. Chairman, the general trend is all in the wrong direction. I am a skeptical man and self-interested, so I won't get into the particulars of this year's budget. But I would point to when I use the word that inevitably the Endowment will be more important and when I refer to objective circumstances, let me just say that since you refer to Barbara Tuckman, there may be an occasional person like that, but if you look at humanistic scholarship, almost completely you find college and university professors.

I don't have to go through the data because you know them well. If you take the current trends and cross that with the age cohort of faculty, think of the effect of inflation and diminishing resources on universities, colleges, libraries, it will be a bleak world out there for the next 20 years.

I am not talking about jobs, although that is very important. My role with the American Council of Learned Societies is to think of learning and scholarship.

How will we maintain that in the face of that cold market and adverse circumstances? I am just talking about what I would call day-to-day stuff of the life of the mind, that is, good talk, the flow of books and articles, and most importantly, I think, the sense of that what one is doing is worth doing and that society esteems it.

That is why I think the direction of the National Endowment is in the wrong direction.

Mr. YATES. Plus the stuff that dreams are made of.

Mr. WARD. Right. I don't believe that the National Endowment could, nor should it, accept sole responsibility to try to reverse these adverse conditions in such a moment to say the proposed budget is adequate seems to fly in the face of reality.

Let me return to the symbolic importance of the Endowment.

I understand from the press that Mr. Bennett has testified before you that the existence of the Endowment is more important than the amount of funding available to it.

I am doubly sympathetic with Mr. Bennett. I have argued for the symbolic importance of the Endowment. I think it is naive for a Presidential appointee to argue against the executive budget. So he is in a tough spot.

But I have a son who is a sociologist who believes one ought not to watch people's mouths, but to watch their feet. Budgets, as you know better than I, are not just numbers. They represent political and social choices.

But the budget here says the wrong thing at the wrong time. You have a hard task on your hands and I thank you for taking it on.

But whatever number you finally come to, I hope it speaks clearly that our National Government recognizes that our society has a commitment, not only to the usefulness of knowledge and its application, but to the delight, sheer delight, in the process of learning to the worth of critical intelligence and disciplined imagination because that is what the humanities are all about.

Thank you.

[The statement of Mr. Ward follows:]

TESTIMONY OF JOHN WILLIAM WARD, PRESIDENT-ELECT, THE AMERICAN COUNCIL OF LEARNED SOCIETIES BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES, HEARINGS ON THE BUDGET OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES, MAY 7, 1982.

MR. CHAIRMAN, MEMBERS OF THE HOUSE APPROPRIATIONS SUBCOMMITTEE, I THANK YOU FOR THE PRIVILEGE OF APPEARING BEFORE YOU. I AM JOHN WILLIAM WARD. I HAVE BEEN A TEACHER ALL MY ADULT LIFE, A PROFESSOR OF AMERICAN HISTORY AND LITERATURE. I WAS PRESIDENT OF AMHERST COLLEGE IN MASSACHUSETTS. FOR THE PAST TWO YEARS, I SERVED PRO BONO, BY THE APPOINTMENT OF THE GOVERNOR, AS CHAIRMAN OF A SPECIAL COMMISSION TO INVESTIGATE CORRUPTION AND MALADMINISTRATION IN THE CONSTRUCTION OF STATE AND COUNTY BUILDINGS IN THE COMMONWEALTH OF MASSACHUSETTS. I AM PRESENTLY ASSOCIATED WITH THE AMERICAN COUNCIL OF LEARNED SOCIETIES AND WILL, ON JULY 1, BECOME ITS NEXT PRESIDENT.

SINCE ITS FOUNDING IN 1965, THE NATIONAL ENDOWMENT FOR THE HUMANITIES HAS PLAYED AN IMPORTANT ROLE IN THE CULTURAL AND INTELLECTUAL LIFE OF OUR NATION. THROUGH MATCHING GRANTS AND CHALLENGE GRANTS IT HAS STIMULATED PRIVATE PHILANTHROPY; THROUGH GRANTS TO INDIVIDUALS AND INSTITUTIONS IT HAS RECOGNIZED THE COMPLEX INTERPLAY BETWEEN INDIVIDUAL TALENT AND INSTITUTIONAL SETTING. MOST IMPORTANTLY, THE NATIONAL ENDOWMENT FOR THE HUMANITIES SYMBOLIZES A POLITICAL COMMITMENT TO THE IMPORTANCE OF THE LIFE OF THE MIND IN OUR COMMON LIFE TOGETHER AS CITIZENS.

RECENTLY, OVER BREAKFAST, THE CHAIRMAN OF THE BOARD OF A MAJOR AMERICAN CORPORATION SAID TO ME THAT IT WAS EASIER TO GET HIS COMPANY TO SUPPORT THE ARTS BECAUSE THEY WERE "THERE," SO TO SPEAK. ONE CAN LOOK AT A PAINTING, HEAR A SYMPHONY, WATCH A BALLET. BUT YOU PEOPLE, HE SAID, YOU DEAL WITH IDEAS AND WORDS, INSUBSTANTIAL

AND EVANESCENT THINGS. MY BOARD HAS A HARD TIME UNDERSTANDING WHAT IT IS BEING ASKED TO SUPPORT. I UNDERSTOOD WHAT HE WAS SAYING, BUT I COULD NOT HELP BUT THINK IT WAS A CURIOUS REMARK FROM AN AMERICAN, SINCE THE REPUBLIC WAS FOUNDED ON AN IDEA AND SINCE THE HISTORY OF THE UNITED STATES MAY BE UNDERSTOOD AS THE ATTEMPT TO REALIZE THE IDEAS OF THE DECLARATION AND THE CONSTITUTION IN THE CHANGING CIRCUMSTANCES OF OUR HISTORY.

THE HUMANITIES DEAL WITH IDEAS, WITH WORDS AND THEIR MEANINGS, WITH AN UNDERSTANDING OF HISTORICAL CHANGE, WITH QUESTIONS OF VALUE AND JUDGMENT. THAT IS WHY THE SYMBOLIC MEANING OF THE NATIONAL ENDOWMENT IS IMPORTANT. IT REPRESENTS AN ACT OF POLITICAL FAITH THAT THE ACHIEVEMENTS OF DISCIPLINED INTELLIGENCE AND TRAINED IMAGINATION ARE A MATTER OF PROPER CONCERN FOR YOU, THAT IS, FOR YOU WHO REPRESENT THE PEOPLE OF THE UNITED STATES IN THE CONDUCT OF OUR PUBLIC LIFE.

WHAT ESPECIALLY CONCERNS ME TODAY IS THAT, AS IMPORTANT AS THE NATIONAL ENDOWMENT FOR THE HUMANITIES IS AND HAS BEEN, IT WILL INEVITABLY BE EVEN MORE IMPORTANT IN THE FUTURE, AND I STRESS THE WORD, "INEVITABLY." I DO NOT WISH TO ENTER INTO THE DETAILS OF THE CURRENT PROPOSED BUDGET FOR THE ENDOWMENT; SINCE I AM PERSONALLY AND PROFESSIONALLY SELF-INTERESTED IT WOULD BE IMPROPER FOR ME TO DO SO. BUT I DO WISH TO SAY THAT, GIVEN THE OBJECTIVE CIRCUMSTANCES WHICH CONFRONT LEARNING AND SCHOLARSHIP, THE GENERAL TREND IS IN THE WRONG DIRECTION. FOR THE NEXT TWENTY YEARS, AT LEAST, THE NEED FOR SUPPORT THROUGH THE NATIONAL ENDOWMENT FOR THE HUMANITIES WILL BE GREATER, NOT LESS.

THE BUDEGT REQUEST FOR 1983 REPRESENTS A 26% CUT FROM LAST YEAR, AND 37% FROM 1981. THERE IS NO REASON WHY SCHOLARS MORE THAN ANYONE ELSE SHOULD BE PROTECTED FROM THE COLDNESS OF THE ECONOMY AND THE NEED TO REDUCE DEFICITS, BUT THESE CUTS ARE OF A MAGNITUDE THAT ONE CAN ONLY SAY THEY ARE TOO DEEP AND TOO FAST, ESPECIALLY AT A MOMENT WHEN THE CONDITIONS FOR LEARNING AND SCHOLARSHIP ARE SO BLEAK.

THE WORLD OF LEARNING AND SCHOLARSHIP IN THE UNITED STATES IS ALMOST WHOLLY IDENTIFIED WITH THE UNIVERSITY. THAT WAS NOT ALWAYS SO IN THE UNITED STATES, AND THE RELATION HAS NEVER BEEN AS CLOSE IN ENGLAND AND ON THE CONTINENT. BUT, DESPITE THE OCCASIONAL BARBARA TUCHMAN OR EDMUND WILSON, A HUMANISTIC SCHOLAR TODAY WILL GENERALLY BE A COLLEGE OR UNIVERSITY PROFESSOR. I AM SURE THAT FOR THIS COMMITTEE I DO NOT HAVE TO REHEARSE THE STATISTICAL DATA, BUT THE DEMOGRAPHIC PROFILE OF THE AGE COHORT OF COLLEGE STUDENTS WHEN CROSSED WITH THE AGE PROFILE OF CURRENT FACULTY MEANS THERE WILL BE FEW JOBS AND LITTLE MOBILITY IN THE SCHOLARLY WORLD.

THE CONSEQUENCE FOR LEARNING AND SCHOLARSHIP IS GRAVE. HOW ARE WE TO SUSTAIN THE VITALITY OF LEARNING AND SCHOLARSHIP IN THE FACE OF A COLD MARKET AND ADVERSE CONDITIONS? I AM NOT TALKING ABOUT JOBS. I AM TALKING ABOUT THE VITALITY, INDIVIDUALLY AND INSTITUTIONALLY, OF THE WORLD OF HUMANISTIC LEARNING -- THE PLAY OF MIND, THE EXCHANGE OF GOOD TALK, THE STREAM OF ARTICLES AND BOOKS, THE DAY-TO-DAY STUFF OF A LIVELY PROFESSION -- AND, MOST OF ALL, THE PRIDE THAT WHAT ONE DOES IS WORTH DOING AND IS ESTEEMED BY OTHERS, BY SOCIETY.

THE NATIONAL ENDOWMENT FOR THE HUMANITIES CAN NOT BY ITSELF, NOR SHOULD IT, ACCEPT SOLE RESPONSIBILITY TO REDRESS THESE ADVERSE

CONDITIONS. BUT, AT SUCH A MOMENT, TO SAY THAT THE PROPOSED BUDGET IS ADEQUATE FOR THE NEEDS OF THE HUMANITIES SEEMS TO ME SIMPLY TO FLY IN THE FACE OF REALITY.

FURTHER, TO RETURN TO THE SYMBOLIC IMPORTANCE OF THE ENDOWMENT: I UNDERSTAND THAT MR. BENNETT HAS TESTIFIED BEFORE THIS COMMITTEE THAT THE VERY EXISTENCE OF THE ENDOWMENT IS MORE IMPORTANT THAN THE AMOUNT OF FUNDING AVAILABLE TO IT. I AM DOUBLY SYMPATHETIC WITH MR. BENNETT. I HAVE ALREADY ARGUED FOR THE SYMBOLIC IMPORTANCE OF THE ENDOWMENT; I ALSO KNOW IT WOULD BE NAIVE TO ASK A PRESIDENTIAL APPOINTEE TO ARGUE PUBLICLY AGAINST AN EXECUTIVE BUDGET. BUT I HAVE A SON WHO IS A SOCIAL HISTORIAN WHO ALWAYS REMINDS ME NOT TO WATCH PEOPLE'S MOUTHS, BUT TO WATCH THEIR FEET.

BUDGETS, AS YOU ALL KNOW BETTER THAN I, ARE NOT JUST NUMBERS AND BALANCE SHEETS. THEY REPRESENT POLITICAL AND SOCIAL CHOICES. THE BUDGET OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES SAYS THE WRONG THING AT THE WRONG TIME.

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE, YOU HAVE A HARD TASK ON YOUR HANDS, AND I THANK YOU FOR TAKING IT ON. WHATEVER NUMBER YOU FINALLY COME TO, I HOPE IT SPEAKS CLEARLY THAT OUR NATIONAL GOVERNMENT RECOGNIZES THAT OUR SOCIETY HAS A COMMITMENT NOT ONLY TO THE USEFULNESS OF KNOWLEDGE, BUT TO THE DELIGHT IN THE PROCESS OF LEARNING ITSELF, TO THE WORTH OF CRITICAL INTELLIGENCE AND DISCIPLINED IMAGINATION, WHICH IS WHAT THE HUMANITIES ARE ALL ABOUT.

THANK YOU.

Mr. **Yates**. Thank you very much. Thank you for a good statement.

I wish I could ask you questions. Can I ask you questions that you might want to answer with subsequent letters or proposals and that is assuming the Endowment stays alive on a realistic basis. How would you improve it or are you satisfied with the way it operates now?

Unfortunately, the time constraints today don't permit going into possible changes on the Endowment, but I hope those who appear today would take the opportunity to drop a letter to the committee so we can have some kind of a dialog with Mr. Bennett on proposals for change.

Mr. **Ward**. Be glad to. Thank you very much.

Mr. **Yates**. Thank you

Mr. **Conarroe**. Thank you very much.

Mr. **Yates**. The next three witnesses are Mr. Raynolds, Ms. Guadiani and Mr. Blake.

Friday, May 7, 1982.

IMPROVEMENT OF TEACHING

WITNESSES

HAROLD RAYNOLDS, COMMITTEE OF EDUCATION, STATE OF MAINE

CLAIRE GUADIANI, INSTRUCTOR IN ROMANCE LANGUAGES, UNIVERSITY OF PENNSYLVANIA

ELIAS BLAKE, PRESIDENT, CLARK COLLEGE, ATLANTA, GA.

Mr. **Yates**. All right, Ms. Guadiani, inasmuch as you are a lecturer in romance languages, I think you ought to start. We need romance.

Go ahead.

Ms. **Guadiani**. Yes, and in fact, my chairman has a sign over his door that says, "Take a chance on romance." In these days, in declining enrollments, that sounds doubly inviting.

Mr. **Yates**. Does it work?

Ms. **Guadiani**. It does.

Mr. **Yates**. I must try that some time.

Ms. **Guadiani**. We have a very fine romance department at the University of Pennsylvania. I have given you a written statement.

Mr. **Yates**. Yes, the three statements that you bring to the committee may all be placed in the record. We would like to have your, may I say, a cappella thoughts.

Ms. **Guadiani**. That is the deference to my Latin background and it is profoundly appreciated. I benefit from NEH and ACLS. I was at the National Humanities Center on an NEH fellowship so I benefit from that in my personal scholarship, which has had an effect on my teaching, of course.

I have begun a new field in the history and philosphy of science, which is a project from last year, and I returned to the University of Pennsylvania to teach a course on literature in the 17th century in France, taught in the context of the scientific revolution.

It was a very well-received course by my students. We had a number of pre-med students who took it and were able to see literature from a different angle.

But I come to you to speak today as a teacher and consultant to the National Endowment. I have been on the board since 1979 and in that capacity, I have worked with a number of schools, probably five or six, as an NEH consultant and perhaps another 30 as a conference consultant.

I also had, for the last 2 years, a very small NEH grant that I wrote during my first year of work as a professor at Purdue University and the objective of that grant was to bring 50 foreign language chairmen from the most professionally and geographically isolated institutions in the country and bring them to MLA and to give them a very intensive 4-day workshop that would bring them up to date on the best teaching techniques in their field.

As you know, the fall-off in enrollments in foreign language and literatures in the last 12 years has been very great. Many departments imploded to such an extent that they were really unable to even have the time with the teaching load increase to keep up in their fields.

So this 4-day workshop was meant to reorient the chairmen who could reorient their colleagues to the best methods in teaching of grammar proficiency, reading, writing and teaching of culture which, after the President's Commission, we were told very explicitly should be a much more important part of the teaching of foreign languages and literatures.

That first year's grant was so successful, we had such an enormous response, in fact, I brought statistics I would like to make part of the record if you would like to have them, that I wrote a second small grant.

When I mean "small," I mean $16,000 the first year, $23,000 the second year, and I was granted permission to do the same project again.

That project helped us to orient over 144 different departments, an extremely cost-effective project.

In fact, I know that Chairman Duffy mentioned it at National Council in one of their meetings as one of the most cost-effective.

Not only were we able to affect substantive improvement in languages and literatures in these 140 institutions, but in a number of cases, those institutions became regional centers for ongoing professional development for other foreign language faculty in the high schools and colleges in their own area.

That was one of the important components of the grant project. My father is a corporate executive with RCA and I wanted my interest in managing departments well to fall as well into the ruberics of the grant.

So we helped the chairman see how to do better management and how to become resource centers for other faculty members in their area.

I think that is a very good way for faculty to do ongoing professional development for themselves in service to other faculty.

So this project helped us to make a big impact on the quality of teaching of languages across the country.

The other main project that I would like to talk about is the work I did at High Point College as an NEH consultant. I bring this up because this is a kind of work in the humanities that will never attract corporate support.

It is not glamorous to send a person in for six consultations to small schools to help those schools humanities units and perhaps even individual departments, to improve the quality of teaching course by course, to redesign curriculums to do in-service faculty development for the faculty teaching and then, as we did at each of the places I have been a consultant to, set up High Point, for example, as a regional center.

I worked with High Point for 1½ years and during that 1½ years of six visits, we were able to make a substantive change in the quality of teaching at that institution.

That institution is a regional center now for the North Carolina area immediately around it and what is more, NEH, other grant teams that are trying to do the same sort of thing, now go to High Point to see how, on a very tight budget, a small school is offering excellent foreign language and literature instruction on a daily basis to all its students because High Point has a 1-year language requirement.

This kind of work will never be glamorous enough to attract attention from outside support. This is exactly the kind of thing we must have NEH support to do. It is also difficult for institutions to find assistance without the kind of direction that NEH personnel can offer through the National Board of Consultants.

It would be really a catastrophe for the large number of institutions all across the country that are in process now trying to improve their undergraduate education if this and other programs, in particular with the Education Programs Division, were to be cut back.

There are other things but I hope to give my colleagues some time to speak.

[The statement of Ms. Gaudiani follows:]

Testimony of Claire Gaudiani, Romance Languages, University of Pennsylvania
Subcommittee on Interior and Related Agencies - Appropriations Committee
U.S. Senate May 7, 1982

Mr. Chairman, my name is Claire Gaudiani. I am a lecturer in Romance Languages at the University of Pennsylvania where I teach and write on French literature in the context of the history and philosophy of science. I have been a member of the National Board of Consultants of the National Endowment for the Humanities since January 1979. I am pleased to speak to you today as a teacher and to indicate how I have seen NEH funds used to improve teaching and learning in the Humanities.

I want to congratulate the Senate and the House on the commendable level of support given to the Humanities through NEH since 1966. The vision and determination of the many congressmen who have supported the Humanities Endowment indicate their understanding of the relationship between great ideas and human societies. I also commend the Reagan administration on the selection of William J. Bennett as Chairman of NEH.

As a Fellow at the National Humanities Center last year, I know that Dr. Bennett's philosophy of education will encourage more rigor in the study of the humanities. His view of the humanities is also, though, democratic. While at the National Humanities Center, I and many other fellows followed his example of putting our scholarly work before a wide public audience. We spoke to citizens in church, civic, and business organizations, before parents of school children and in many high school, college, community college, and university settings. We were able to share with our listeners the ways in which the humanities illuminate some of the major issues of our time and some of the great issues of all time. I look forward with great confidence to the coming years at NEH under Dr. Bennett's direction

My admiration for the new chairman and the leadership he brings to NEH does not prevent me from opposing the projected reduction of the NEH budget to 96 million dollars. I believe that the Endowment budget should not be cut again in 1983. The cut sustained in the 1982 budget enables the Endowment to share the burden of budget reductions that the President has requested. I also believe that this level of funding will enable the NEH to respond to Dr. Bennett's desire to improve the quality of the project funded without losing its capacity to support important work in the humanities in a wide range of institutions. In a recent statement about the budget cuts, Dr. Bennett said that the Endowment must continue to fund the essential and the exemplary. I would like to discuss the NEH projects with which I have had personal experience in terms of these two categories. I will restrict my examples to those that specifically improve teaching and learning in the humanities.

Projects: Essential to Individual Institutions

Programs that one might call essential either create significant improvements in individual institutions or they provide necessary experimentation with new models for improving the teaching of the humanities. I have seen essential improvements in individual institutions wrought very successfully by the Consultant Grant program. It is one of the most cost-effective ways to improve the teaching of humanities courses. I began a consultancy at High Point College, High Point, North Carolina in August, 1980. In the course of six consultations, the Modern Language department faculty and I changed dramatically the quality of instruction in the foreign language and literature classes. Since High Point College has a year-long foreign language requirement, all of the college's students are and will be touched by the work done under this NEH consultancy. Since the changes took place in stages, with time for faculty to adjust and then absorb new methods of teaching, the improvements are likely to continue.

The Modern Language faculty at High Point College now offers students shorter and more varied exercises designed to teach and drill grammar. Frequent, carefully guided opportunities for spontaneous use of the language permit students to express themselves freely, if simply, in the target language - both in writing and in speaking. Students develop proficiency more rapidly and with more confidence and less frustration than many of us remember in our own foreign language training. Teachers now know how to use their foreign language composition classes both to teach writing in the target language and to improve students' writing in English. Students can also now opt for a double major in business and multi-cultural studies. This major integrates a core of business courses with a foreign language proficiency and a selection of courses in philosophy, history, literature, political science, and economics that relates to cultures where the student's second language is spoken.

In addition to improving the quality of teaching, the work of the consultancy at High Point College established a mode of on-going faculty development modeled on county medical societies and bar associations. The Modern Language faculty will meet bi-monthly with the high school and college faculty in the High Point region. Colleagues will concentrate on helping each other to keep current in their field, to focus on improving reading, writing, and the study of culture in their foreign language and literature classrooms. Like doctors and lawyers, all faculty members in each discipline should take responsibility for improving the level of professional practice in their region. Better articulation of the curriculum will occur as faculty across the educational sectors meet regularly and evolve a common set of priorities.

The complete revamping of the foreign language and literature curriculum and the faculty development component occurred over a one and a half year period at a total cost of $5,870 in NEH funds. The NEH consultancy at High Point created important links across the humanities departments and between them and the business department. It stressed the important links between foreign language study and the skills of the humanities - reading, writing, critical thinking. It created important links across the ranks of teaching faculty in the region. These changes are essential, especially in the small institutions where travel and library funds have been reduced and where the "graying" faculty often feel frustration and isolation. High Point College did not suffer from all of these difficulties, but most small colleges and universities do to varying degrees.

I have done similar foreign language consultancies at Monmouth College in Illinois, at Morris Brown College in Atlanta, and am in progress with similar consultancies at Buena Vista College in Storm Lake, Iowa and at Marywood College in Scranton, Pa. Since 1976, the NEH Consultant Grant program has brought this kind of essential help to 46 foreign language departments attempting to teach better. Interestingly, most of these, have been made since the 1979 Presidential Commission called for improvement in the teaching of foreign languages and international studies.

My own NEH grant offered me another opportunity to help post-secondary institutions achieve essential improvements in the teaching and learning of foreign languages and literatures. Three years ago I made an application for a small grant to permit me to bring together fifty department chairmen from professionally and geographically isolated foreign language departments. With the help of four nationally recognized experts, I worked with the chairmen of these departments participating in an intensive four-day conference. The project was designed to improve the teaching of foreign languages by bringing one of the most dispirited groups of humanities faculty up to date on better methods of teaching reading, writing, and grammar proficiency, and better ways to teach multi-cultural diversity in the foreign language classroom. Chairmen were also helped to understand how to increase enrollments and to understand how to manage their departments better. They learned how to develop additional resources from outside their institutions, and how to share their professional development with other foreign language faculty in their region. The progress made by departments was so impressive that I sought and received a second year of funding.

During two years of support for this project, NEH funds have helped 140 institutions to improve their foreign language program at a cost of $16,177 in 1979 and $25,991 in 1980. Many of the institutions which have participated are now serving as regional resource centers for other foreign language and literature departments. NEH funds enabled me to test this approach to strengthening FLL programs, to prove success, and finally to attract non-federal funds to continue this work for two more years.

During the first two years, my project had received a very small amount of additional funding from the Exxon Education Foundation. After the second year, Exxon took over full funding, providing the support for a two-year continuation of the workshops plus a modest amount of summer research support that has permitted me to write a book on how to improve the teaching and learning in foreign language programs. Under Exxon Education Foundation funding this year and next year, this project will affect another 140 institutions. Literally thousands of students are touched each day by this project. They are learning foreign languages each day in classes taught by faculty members whose approach to the teaching of language proficiency, reading, writing, and cultural diversity was developed or refined during the workshop and the year of follow-up contact that faculty members had with the master teachers and project directors.

Many faculty have seen this project as a natural outgrowth of the recommendations of the President's Commission on Foreign Languages and International Studies. It was crucial that the Endowment had funds available to respond to faculty members motivated to make essential changes in their teaching of foreign languages and cultures. Both the consultant grant program and my own small grant made essential changes possible.

Projects Essential to Experimentation with New Models

Having mentioned a number of programs which produced essential improvements in individual institutions, I would like to describe the NEH grant that I evaluated at Earlham College in Richmond, Indiana because it seems to offer an example of essential experimentation with new models for strengthening humanities in American colleges. Some experimentation must, of course, continue despite budget cuts. We can not simply wait five years before trying out promising ways of resolving problems and meeting challenges in the classroom. The Earlham project under the direction of Dr. Richard Jurasek gives foreign language faculty members released time to take humanities and social science courses related to the languages and cultures they teach, while giving the humanities and social science faculty the opportunity to take intensive language courses related to the cultures and nations they teach about.

As a result of this project, the foreign language teachers, newly familiar with the methods and texts in philosophy, history, and political science, teach the culture components of their courses much more knowledgably than their purely literary training would have permitted. The non-foreign language faculty are holding extra discussion sections in French, Spanish, or German for the courses they teach. Many are also adding original texts and documents in foreign languages to their reading lists. Students are seeing a need and use for foreign language competence outside the foreign language courses and are exploring more thoroughly the relationships between language and culture.

This project, if it is finally judged successful in increasing the rigor and depth in the humanities and foreign language courses would be relatively easy to duplicate at other institutions. The idea of faculty sharing expertise seems sound to me. The costs make replicability at other colleges and universities a real possibility. It provides an example of an essential project that may become exemplary. In fact, a number of programs I know about began as essential programs for individual institutions and end up as exemplary programs for other institutions.

Exemplary Projects

One of the most successful consultancies I know about was done by Professor Kim Sparks, Middlebury College. He worked with the foreign language faculty at the University of Maryland at Baltimore County. In the course of the consultancy, Dr. Sparks and the faculty developed an excellent program for which the UMBC department sought additional more extensive support. The essential changes made in that department involved developing a series of courses on the nature and function of language. Many other institutions across the country are now adopting this course structure with great success.

Other programs that began as essential experiments have already become exemplary. Among these I would note, Dr. Janet Swaffar's NEH grant which permitted her to develop an excellent way to teach reading in foreign languages. Her method permits students to gain access to central texts much more quickly and with greater competence than previous translation-oriented methods allowed. Dr. Swaffar's work at the University of Texas at Austin has been adapted widely in the foreign language departments.

Very substantial and widespread improvements in teaching of foreign languages and literatures have occurred because NEH had funding available to respond to the needs of educators. The Endowment must retain the capacity to help institutions with the essential work of increasing the rigor and quality of the curriculum. It must remain capable of disseminating the exemplary. It must remain capable of investing in one of the nation's most significant natural resources - its school teachers and postsecondary faculty. The funding provided by this Congress must assure that the Endowment can continue to provide the support for essential and exemplary programs across a wide range of institutions and disciplines if it is to fulfill the responsibilities set before it by the farsighted Congress of 1965.

Mr. YATES. Well, that was a very good statement. I am sure it will lay the foundation for your colleagues very well.

Dr. Blake, would you like to tell us something about the humanities.

Mr. BLAKE. I prepared a statement but I think that——

Mr. YATES. Would you do me a favor? Pull the microphone over so the people in the audience can hear you, too.

Mr. BLAKE. What I want to talk about in terms of the whole business of the improvement of teaching our education in the humanities at NEH and so on, deals with the fact that there are still some major and important areas in scholarship and the humanities that are still in a sense in their rudimentary stages of development.

I guess what I call the attempt of outsiders to push their way into the traditional established areas of scholarship. Before I went to Clark, I was the head of an organization of education and worked with historic black colleges in the South. We tried to help them do many of the kinds of things that Ms. Guadiani talked about. What we found was that both within the Endowment for the Humanities and for the Arts, that we had two jobs, one job inside as well as trying to build understanding outside for many of the things we were trying to do.

So there were three things that I would like to mention that we were working on and then make the point with an illustration of what happens when you begin to do the work in this area.

First of all, we were trying to develop some understanding and a sympathy to what we were doing in a broad base established in the country.

Second, we were trying to develop an evaluative framework inside the Endowment for proposals and for fellowships and other things in the peer review process so that the kind of highest-quality issue the Chairman Bennett talked about that we would be included in.

Third, to try to develop projects that would in the general public's perception add some sense of importance to what we were doing.

So in a sense, we were not the right people, not in the right places, we were not working on the right topics. This was inside and outside. But we have been making some progress.

I'll give you an illustration which I have here of two things we were able to do.

One, we were able to do an hour's TV program along with educational and curricula materials which dealt with the development of a full-length symphonic concerto by a black composer, and were able to get the entire concerto on film and on to public TV.

We were able to do more than just do it as entertainment. It was in two parts. The first part was how does this get developed, and it was from New Orleans, a young man named Roger Dickinson.

What we did was show how this black composer, growing up around jazz, goes gospel and other things, if you add that into the process of a very complex concerto, and then do the whole thing.

We still don't know whether there are hardly any other film complete presentations of the work of a black composer. We found one other that had been done at Bishop College some years ago, on four people, each of which had excerpts.

The other kind of project which I will mention is one we are involved in now. I have just seen a rough cut of it and I think it will be a very exciting thing.

We have taken three well-known jazz performers, Disgill, Meredith Williams, who is now dead, we have extensive film on her, and also Max Roach.

Rather than taking these jazz musicians as performers, we probed into them as really intellectual developers of what we call the new music which these were involved in in the late 1940's and early 1950's.

So we have been able to get on film really jazz performers as intellectuals where they are talking about their vision of what they were trying to do, how they went about doing it, how they worked with each other over period of years, fashioning musical ideas, training themselves, because there were no schools in which they could train themselves; the years, the hours, the whole thing, that they had to put in, to be able to stand up and do what they do, which people kind of take for granted.

So we are going to have out for the first time Dizzy Gillespie discussing his role in American music and how he acted as a bridge between American jazz, Afro, Cuban, South American rhythms and he really lays out how he pulled all of that together. And he does it himself.

As you know, because I know something of your background and your interest, there is nothing like that which exists anywhere and we are quite excited about it.

Mr. Yates. And you should be.

Mr. Blake. We tried to get money for these projects a lot of places and we never were successful. Now that we have been able to do them basically with National Endowment for the Humanities funding, other people are now beginning to pay attention.

The fund raising is still rough, but now that we have something for that the National Endowment has given us that we can now show people what it was we were really talking about which nobody seemed to understand or could see there was an importance of it, we are now going to be able to turn a corner.

We have seem some signs of that. Our orchestra, in getting the film done, worked with Dizzy Gillespie and performed some of his compositions that had not been performed since the mid-1950's.

Mr. Yates. What do you mean by "our orchestra"?

Mr. Blake. This is the Clark College jazz orchestra. We performed some of the things which he wrote in the late 1940's and 1950's, but they have just not been performed for whatever reason.

One thing is they are very difficult. But he was able to teach, he was able to get them to do it. Other people have heard about this and so a man like George Wean, who is one of the great promoters, is now helping us and we are going to get further performances of this.

We hope to get other stuff on film. Then we will get it into the schools, get it into the colleges and universities.

But what I worry about with the budget cuts is that there is the last-hired and first-fired phenomenon in the humanities and in scholarship and these things, we are fighting a whole lot of battles at one and the same time to get in.

We have just begun to get in and get to have the people pay attention. When you are going from $150 million down to $96 million, I fear that we are going to find it very, very tough to be able to continue to build the kinds of things which we have started and others like us, into the humanities.

People are going to be more likely to go with the sure things, with the right people and the right places and the right topics because that's safe, corporate support comes more easily to those places.

For the kinds of things we are talking about, the Endowment for the Humanities, though, we had to fight inside to get it out.

Once we got it, they were the only place that really finally came through.

I think this speaks to the importance of an institution like this in terms of giving people a chance to get things in and get things out that otherwise we knew would not get done, because we went everywhere and we just didn't get anywhere until we went to the Endowment for the Humanities.

Because we had one project that we had done, they took a flyer on this project we are doing now and now other people are beginning to pay attention, but this is after 15 years.

Mr. **YATES**. Really? It took that long. Did you ever talk to Julian Ewell over at the Smithsonian about working up this jazz program, by any chance?

Mr. **BLAKE**. Some, but not any substantive——

Mr. **YATES**. Julian Ewell is sponsoring a retrospective collection of jazz at the Smithsonian and doing a pretty good job.

Today with your explanation, I get one of the first insights I think I have received in the years I have been listening to testimony regarding the arts and humanities of the difference between the Arts Endowment and the Humanities Endowment insofar as music is concerned.

I have always wondered why you need separate endowments for the arts and the humanities as far as arts programs are concerned.

With your explanation, I see that what you are interested in is kind of analysis rather than a performance.

Mr. **BLAKE**. That's right.

Mr. **YATES**. Tearing it apart and showing what makes it come together.

I think at least as far as I am concerned, you have given the committee a real insight on how well the Humanities Endowment really works.

Mr. **BLAKE**. Basically, what we have found, like there are certain stereotypes in America, the classical, symphonic musicians, they are very serious, well trained and so on, but the jazz musicians wake up in the middle of the night in desperation, all of a sudden, they are playing blues and they are off and running.

Mr. **YATES**. What is the name of that movie?

Mr. **BLAKE**. Yes, I saw the movie, too.

And you listen at how gifted the people are and you know they had to pay the same price because they had to go along the same roads, but no one has ever been able to get that story out. That is one of the things that speaks of the importance of this Endowment for the Humanities.

[The statement of Mr. Blake follows:]

Testimony of Elias Blake, Jr.
Before the Subcommittee on Interior and Related Agencies,
Committies on Appropriations, United States House of Representatives

I am Elias Blake, Jr., President of Clark College in Atlanta, Georgia. My testimony will deal with the critical needs I perceive to continue to create room for a more pluralistic humanistic environment in the nation. It is my view that such a pluralistic environment is critical to the overall creative process and strengthens the cultural life of the nation through a broader range of participants.

Without the stimulus of the kind of funding available from the Humanities and Arts Endowments, many of the goals I would like to see accomplished are problematical. Let me be specific. In an earlier period, I secured a grant to do an educational film focusing on the work of Roger Dickerson, a black classical composer, and his commission to do a symphonic work entitled The New Orleans Concerto. As we researched for the project, we could find little or nothing to help us. We found one other film also funded by one of the Endowments at Bishop College in Texas of the work of four black composers. These were bits and pieces but nothing substantial.

We felt the film did several things: 1) show how a black composer, a native of New Orleans, used the influences of jazz, gospel and forms of music as a source for complex modern symphonic works; 2) had performed on film the entire symphonic work which was also done by Leon Bates, a black pianist; 3) showed a black composer and pianist collaborating on the realization of the symphonic work.

The film was aired on Public Television nationally and is still seen almost every year because it still is such a rarity including a full length performance of a work by a black composer.

A current film project supported by the Humanities Endowment focuses on three jazz musicians and rather than having them only perform, we had them give rather detailed expositions of the creative process, the discipline, the methods of becoming a skilled jazz virtuoso. The musicians are Dizzy Gillespie, Mary Lou Williams, now deceased, and Max Roach. This film based on our preliminary screening is doing several things: 1) showing some of our greatest jazz musicians as intellectuals, as clearly pursuing a creative vision in the same way as an Aaron Copeland, a Charles Ives or a Gershwin; 2) getting on film for the first time how the jazz fraternity essentially constructed a kind of conservatory of new American music that still influences all American music; 3) make clear how central the African and American connection flowing through black Americans and their white collaborators is to contemporary American music.

These two kinds of projects are still as scarce as hen's teeth and but for the Humanities Endowment would probably not exist. We know, because we tried for other funding sources and were not successful. The problems I would like to articulate are that very little of the existing funding is devoted to such projects and even those that are tend to be conventional and heavily performance oriented. Both approaches leave in place the inability of these kinds of subjects to be taken as seriously as more conventional and traditional scholarships on music, art and literature.

As funding is reduced, what is available for what I characterize as the "pushing in of the outsiders" becomes more and more problematic. We are involved in trying to get certain areas related to black Amerioa to become known, then reevaluated and then supported at the level of their, hopefully, newly accepted importance.

We are trying to build within the Endowments a critical mass of judgment makers who will give the highest marks to such projects and have them funded. In a sharply shrinking financial situation, the most established and traditional scholarship and public programs of highest quality tend to crowd out the least established and least traditional scholarship and public topics for film or research.

We are just at the point where we can use what we have achieved to try to build the kind of network of support in the private and corporate sector for support of the kind of serious work we are doing. It is still easier to get support for performances than for the kinds of projects I have described. Yet, we perceive them as critical to the creative underpinnings of American's cultural life. Very few believe that to be credible.

With sharply reduced funding for the totality of the kinds of projects I have described and with the ability to get them reviewed skillfully in so rudimentary a stage, I fear our failure to have enough of the kinds of scholarly projects to show to other potential supporters. Without the kinds of support we have had to fight so hard for within the Endowments, our first steps to broader based support will be crippled.

The stimulus does work. For example, we were able to have our Clark Jazz Orchestra perform some classic big band arrangements of Dizzy Gillespie from the 1940's and 50's. Now we are finding support for further performances with Mr. Gillespie in New York and in Europe through Mr. George Wein, a major promoter of jazz performances. The fund raising is still difficult, but we would not have had in place a basis for even trying to find other sources without the initial support of the Endowment.

My piea then is that these cuts not be at the deep level proposed, but rather allow us to find a way to stay at least at the existing levels which represent a sharing in the overall cuts made in government spending.

May 7, 1982

Elias Blake, Jr., President
Clark College
Atlanta, Georgia 30314

Mr. **Yates**. Mr. Raynolds.

Mr. **Raynolds**. Thank you, Mr. Chairman.

I am here for one purpose and that really is to provide anything I can in the way of information, support, or background which would help you in some way in what really is a perhaps almost a thankless task for you sometimes in trying to sustain this NEH support.

You have tipped your hand this morning and I have known from other sources how strongly you feel about this.

I would like to be as much of a resource as I could be to you.

Mr. **Yates**. Good.

Mr. **Raynolds**. From a particular perspective which is not as widely supported in the NEH, and that is the elementary and secondary programs. After all, as commissioner of a department of education cultural services in Maine, I have real concern for some 230,000 students. I am not going to read this, but I thought I would indicate this just by way of kickoff.

And we have some 13,000 teachers in 778 schools in Maine. I don't know whether it would be a——

Mr. **Yates**. Why didn't you pick up a Maine accent as you went along?

Mr. **Raynolds**. If I need it, I can. Will it help here?

Mr. **Yates**. No, you don't need it, but when you talked about the fact you were described as the commissioner of education of the State of Maine, I expected a twangy down-East kind of brogue.

Mr. **Raynolds**. This is one of those political things, I was born in Chicago.

Mr. **Yates**. Okay, I'll accept that.

Mr. **Raynolds**. The concern I want to express——

Mr. **Yates**. Probably in the 9th District. Go ahead.

Mr. **Raynolds**. I hope so. If I have any friends there, I'll speak to them. I don't want to sound like Oliver Twist stepping up to the soup table again and saying, "More, please," nor do I want to indulge in a some scramble over limited resources.

I am aware of the problems that you get into in both of those things. I just want to say flatly—and I know Joe Bennett from other experiences—that I think he is quite wrong in suggesting that $96 million is a comfortable figure. It is not as far as I am concerned.

Mr. **Yates**. I suggested to him if he was comfortable with $96 million, would he be more comfortable with $88 million, which is what was proposed last year? He didn't say yes to that.

You have to find balance here. You know, it is $96 million and nothing else, and only as it was presented.

I should point out to you that the Office of Management and Budget has a very firm level in effect.

Mr. **Raynolds**. I have seen that cartoon of the description of the Office of Management and Budget safety net for education, it is a single thread. Maybe you saw it.

Mr. **Yates**. You have to be a tightrope walker.

Mr. **Raynolds**. And we are trying. Just tell us the rules and we will try again.

Anyway, the other figure that you have seen and I know you know, but I just want to state it again for the record, is the amount that is projeced for elementary and secondary education in this $96 million budget. It is slightly in excess of $3 million.

Mr. YATES. Yes.

Mr. RAYNOLDS. Nearly $4 million, perhaps, for elementary and secondary, unless you can translate some other grants into that area of concern. It is that I really want to express concern about.

Let me jump to something which might be more specific and perhaps useful to you as you go along.

The example I gave in my testimony tells of a National Endowment grant to, and I must carry on the metaphor, the State, the State of Maine, $156,000 we got a couple years ago from the NEH to improve the quality of humanities teaching in Maine's rural high schools.

The grant provided that we would select on a competitive basis 10 rural schools. They would be required to send three teachers and a principal who would participate in a 2½-year project. The superintendent had to attend, too.

As a former superintendent, I am aware that not much gets done in most school districts if the superintendent doesn't provide some support for whatever it is.

I don't know whether you have considered, and maybe there are some in Illinois, what a rural Maine high school could be, but it is very rural and very isolated and quite small and often extraordinarily limited in its basic resources.

These folks came together——

Mr. YATES. Sounds like a place in the South?

Mr. RAYNOLDS. There are parallels, but there are parallels in New York State. Rural America is in some places which we normally wouldn't consider it.

I think we would normally consider it in the back country of Aroostook County, potato farming, in Maine. But what happened is we gave chances to some schools to change their horizons, to raise them considerably as a result of this grant.

I want to talk about just five things that happened, small, rather perhaps even homely examples. In the community of Machias, Maine, as a result of this project which had some nice ongoing characteristics to it, with the three teachers acting as a cadre, with the support of the principal, and their own faculties, they did a festival of the generations which got into the business of the kind of thing foxfire, if you know what that is, a kind of oral history of the community with some serious interest taken in the older members of the community.

For too long, too many public schools were ignoring that they were seated in the community and had those resources. That gave a lift to that community.

Faculty meetings in another of the schools, regularly are dreary affairs to go over disciplinary problems, some rules, and try to get out as quickly as we can because everybody is pretty tired. But in one of these particular rural high schools, they now use half of every faculty meeting for the purpose of drawing something from the humanities which is presented by one of the faculty members.

The music teacher, for example, of a recent one I saw, was presenting a case on 19th century romantic music in a rural high school in Maine and demonstrated on the piano what that sounded like.

You could imagine the impact that that kind of thing has when faculty willingly come and participate in that kind of thing.

A teacher in another school, a man I refer to here as Arnold, was going to put on, has been putting on plays from time to time but his newly aroused interest in some of the things that came out of their meetings with scholars, well-known scholars working with them at Bowdoin College during the summer, led him to be interested in philosophy, began to take courses in that area.

He began to select the things he did in dramatics on the basis of some of those new pieces of his background. He did Fiddler on the Roof, but not until after they had studied both Russian and some Jewish cultural history and this, after all, in a rural Maine high school.

Jane, an art teacher, has five children, has seldom had a chance to leave her home community in years, she is a bright person. Many of these faculty members are quite bright, but they have significant inferiority complexes when faced with "scholars."

They are not sure if they go down to Bowdoin that the people they meet won't in some way put them down or find them at fault. This is part of that unfortunate dichotomy within our educational system.

Jane, because of the experience and because of her real success in interacting with that group of scholars, found a new sense of self-worth and she is really a different person about her teaching and what she does in that school, about her attitudes towards the community, about what she does with her family.

A final one, a student from Aroostook County turns out to be a brilliant girl, obviously. Comes from a high school with the most limited curriculum offerings I can imagine.

Unfortunately limited in the areas we know are of importance, including foreign languages and art and music.

Suffering from another thing that happens in some of our high schools, and that is lack of assurance that when she raises her hand what she has to say will be treated as if it were useful and important.

I can recall having met her at the start of the session when she was going to be taking a linguistic course with one of the outstanding scholars in that field, a man by the name of David Birdsong, I think he is at the University of Texas now, but he may have changed, he is one of our regulars up there. He is great.

He comes from a rural county in Georgia, and he discovered his own talents in a very similar way to the way that I believe this girl is on the way to discovering her talents.

At the end of that session, she was both estatic and sad. "Why sad, Patricia?" "Because when I go back there, I will probably be put down by the teachers when I raise my hand as much as I do now. My fellow students will make remarks about me." She was a junior, all the students who come are sophomores or juniors, so there will be some carry-forward effect in the school.

But, "I will go back and try anyway," she said. But that was her sadness.

As a result of that, there is a way of talking, both to the school and the teachers, and pointing out what she said and I have used that story by her a number of times in places that I thought were appropriate.

But that girl will never be the same again, even if she has a less than perfect senior year in that little high school.

Those 5 little incidents that I have given are only a part of the story of what happened to $156,000 that was directly granted by the NEH.

Circling back to where I started, I hope that that kind of information is useful to you. Also, when you look at that $3 million that anybody mentions as comfortable, I hope you remember me or some of those people and say that that is not a level that is in any way satisfactory.

I notice Bill said, and I heard him because I was on the National Humanities Faculty Board with him, talking about wanting only to support those things which were truly exemplary.

Well, thinking of that particular word, the level of funding that the Congress provides is also exemplary in a way of what the Congress and, in effect, then the Nation, thinks of this area of concern.

Obviously, I am also suggesting an answer to your question to the previous panel and that is are there changes you would make? One of the changes I would make is to say that as long as we do as much—and we are doing a great deal in this country—hand-wringing about the quality of elementary and secondary education and if we recognize it is from those schools that we get our scholars later, I think an argument could be made without making it look as if we were scrambling for fewer and fewer dollars that there is good work to be done by the Endowment in such situations I describe in Maine.

That is my presention.

[The statement of Mr. Raynolds follows:]

May 7, 1982

To: The Honorable Sidney Yates, Chairman, and Members of the Subcommittee on Interior and Related Agencies of the Appropriations Committee of the U.S. House of Representatives

Statement by: Harold Raynolds, Jr., Commissioner, Maine Department of Educational and Cultural Services, for Congressional Hearing on the Funding for the National Endowment for the Humanities

My name is Harold Raynolds, Jr. I am Commissioner of the Department of Educational and Cultural Services in the State of Maine. More than 230,000 students and 13,000 teachers in 778 elementary and secondary schools are affected by the work of the Maine Department of Education and, in turn, by actions taken by the Congress of the United States in matters relating to elementary and secondary education.

Funds distributed by the National Endowment for the Humanities make a very real difference. The existence of the NEH focuses sharply the need for this nation and the State of Maine to attend carefully to the study and development of humanities teaching in our schools, colleges, and universities. The nature of the grant procedure stimulates interest, encourages initiative, and improves teaching of the humanities.

In Maine, there is one example of the impact of NEH on public schools.

Two years ago, the Department of Educational and Cultural Services made application to the National Endowment for the Humanities for funds to develop a program to improve the teaching of the humanities in ten rural high schools. A grant of $156,000 for a three-year project was awarded by NEH. The plan, now in its third year, required rural high schools to write proposals for curriculum development in the humanities. The development of these proposals required teacher, student, and community involvement. We required teams of three teachers and a principal from each school to make a commitment to attend seminars to be conducted by distinguished scholars to work out the school projects which had been identified. On a competitive basis, ten rural high schools were selected. In the initial stages of the project, superintendents were required to participate in the activity. Such projects have a greater likelihood of success if the administration of the school and the school district are directly and purposefully involved.

The first summer seminar set the various three-year projects in motion. Intellectual renewal and team building took place under the watchful eye and mentorship of the scholars involved.

Follow-up meetings were conducted throughout the year to support the efforts of the school leadership teams. Each team acted as a cadre to provide the direction for the faculty of each high school.

Teachers, who started the program with anxiety about themselves and their own capacity to work with scholars, quickly expanded their own personal intellectual horizons. A sense of purpose and confidence developed in the interrelationship between and among teachers, administrators, and scholars.

Back in the high schools, the learning climate has changed. Expectations of teachers and students have increased. Locally-elected school committees have rekindled interest in educational programs rather than bus routes and budgets. Communities have become deeply involved. The magic has not been universal at all sites; but, in each case, noteworthy improvements in teaching and learning have taken place.

The greatest transformation as a result of this project is the change in teacher attitude. Teachers are effective if they are able to continue throughout their careers to develop knowledge, understanding, and skills to enliven and inspirit their teaching. The NEH project in the ten rural schools has provided extraordinary opportunities for forty teachers and principals. Other faculty members have been drawn into the new sense of purpose through the humanities project.

A second important part of the NEH program is participation by students, five from each of the ten rural high schools. Students, who are sophomores and juniors, will be working with their teachers and the five master scholars for a two-week seminar conducted by nationally-recognized scholar-teachers.

Imagine the change at Medomac Valley High School when staff decides to spend at least half of each faculty meeting on learning experience drawn from the humanities. The faculty is regularly involved in the act of becoming a community of teacher-scholars. For example, the music teacher presented a seminar in 19th century romantic music, playing some of the works on the piano.

In one Downeast town, the school staff and students led a community festival in local history involving all the generations in a study and reaffirmation of their own past.

Consider a music teacher like Arnold who produced Fiddler on the Roof after school projects on Russian and Jewish history and culture. He decided to study philosophy as a part of his own development as a teacher.

Jane is an art teacher raising five children with her husband in a small rural town. She had not left her home community in fifteen years. The NEH project has helped her to improve her teaching skills, generate enthusiasm, and build a sense of self-worth as a human being. She is a far better teacher for all of that.

Imagine what happens when an able young student from a rural school district begins to discover her own intellectual capacity in the interchange between Professor David Birdsong, distinguished linguistics scholar who, himself, came from a rural background from the State of Georgia. The young scholar was both ecstatic and sad on the final day of the summer seminar. She was ecstatic because of her new expanded horizons. She was saddened by the prospect of returning to her small, rural school where the level of intellectual stimuli would fall far below her summer seminar experience.

Faculty members returning to their schools had a clear vision of the importance of what they teach and how they teach it. Students experienced challenges for their active and able minds which they took back to their teachers and fellow students for their remaining years in high school. This NEH-funded project made a difference for the teachers, students, and communities involved.

Based on the premise that there are some things an educated people should know, higher funding levels for NEH will provide more opportunities for this important work in our elementary and secondary schools.

The funding level for the NEH, established by this Congress, will signal the importance of the humanities in our national priorities. There is a direct correlation between the quality of educational opportunities and the quality of citizenship in a free society. Education in that sense is a first line of defense of free institutions. For that reason, the NEH budget should be of sufficient size to provide real opportunities for the improvement of teaching and learning in the humanities. The decision on the size of that budget belongs to this committee and to the Congress. However, any reduction in previous levels of funding, which were not lavish at any time, sends a signal of a reduced priority for the humanities. More than that, it flies directly in the face of identified and widely-recognized needs for the improvement of elementary and secondary school teaching.

Mr. YATES. That is a very good presentation.

Ms. GUADIANI. May I say something?

Mr. YATES. Yes, Ms. Guadiani, you may.

Ms. GUADIANI. I also saw Bill Bennett's statement, the notion of the essential and exemplary impressed me and in fact, I structured my statement that you have on the basis of that kind of an organizational structure, the grants that I felt had been granted to do essential work in individual institutions and to do essential experimentation with new models because after all, we can't stop trying new ideas for the next 5 years because there are budget cuts.

As I began to work out my testimony, I realized there were no exemplary programs that didn't start as essential in individual institutions and individual settings. It was in each case a program that ended up being exemplary for other institutions as one tracked it back, the case of a group of faculty members perceiving a problem in their own curriculum and their classrooms and responding and working together with students and their administrators in creating a new program that created a program that, in fact, answered those same sorts of problems that existed in other institutions.

I think especially because we have come through in recent years a period of almost frantic experimentation in higher education, at least in colleges, that we need a time now of evaluation.

It is going to be tremendously important for NEH to have the funds available to permit institutions to take stock of the value of these various and sundry attempts at restructuring curriculum and to compare the curricular experimentation in the last 10 years with the kind of curriculum they taught 15 years ago before this experimentation began.

And to make now a kind of a synthesis, the best of the good, I guess, from the past period and from the more recent period. Faculty need time to develop a sense of confidence in their curriculum and that confidence is shaken in many institutions.

I think the central work of the Endowment in the next 5 years, at least, will be in faculty development and this kind of taking stock and evaluating and looking toward quality and rigor as Mr. Bennett wants us to do and I highly agree.

But at the same time, you must incorporate some of the best that has been uncovered and developed in the last 10 years.

Mr. YATES. What Mr. Bennett wants you to do, too, is consider why he thinks perhaps the reduction is acceptable.

He says, "We will bear this reduction well. I think we should take it as an opportunity to reassess our work."

Now you are talking about reassessing work. You want to give him that chance, too?

Ms. GUADIANI. I know what he is talking about because I was at the National Humanities Center with him last year so I know his ideas on this.

I think he wants to see us look through those curricular experimentations and to make some selections. I think that is good.

But he, if I may be so bold——

Mr. YATES. You may be bold.

Ms. GUADIANI. Thank you. He has not worked with faculties in the settings I have in the last 4 years. I don't think he realizes. If we were to really understand this statement, it is not coming from his heart, but maybe another spot, because of the restrictions he is under.

I think he may not realize the extent to which faculty will need funds, release time, and consultant assistance to make decisions about the curriculum for the next 15 years.

It can be done very cost effectively. That is what I tried to indicate in my statement.

The 1½ years work I did with High Point cost the Endowment $5,870 and included $1,000 in faculty travel. That is an enormous effect which has an effect within the institution for years and years to come because all the students who go to that institution go through that large department because of the requirements.

The connections the faculty has made with business and social science faculty is creating a sense of a community of scholars at that institution.

It is a labor-intensive effort to do that with faculty but it has an important effect and it is important for the work we have to do to strengthen undergraduate education in the next 10 years.

Mr. Yates. Thank you.

Thank you very much. We appreciate your statements.

Friday, May 7, 1982.

PRESERVATION OF RESOURCES

WITNESSES

JAMES BANNER, CHAIRMAN, AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF THE HUMANITIES

ANN RUSSELL, DIRECTOR, NEW ENGLAND DOCUMENT CONSERVATION CENTER

Mr. Yates. Mr. Banner and Ms. Russell are next. Ms. Hull is still not here, I understand. She will come in later.

Proceed, Mr. Banner.

Mr. Banner. Thank you.

Mr. Yates. Your statement may be made a part of the record, and Ms. Russell, your statement will be made a part of the record, too.

Mr. Banner. Thank you. I am chairman of the American Association for the Advancement of the Humanities.

Mr. Yates. We have spoken before.

Mr. Banner. I would like the record to show that the association has not been and has never sought to be recipient of funds from the National Endowment for the Humanities.

I speak perhaps somewhat for an organization with a somewhat greater degree of disinterest in the matter of the funding here. I would like to lay out a few general principles on the matter of preservation.

Mr. Yates. I would say not disinterest, but interest with objectivity.

Mr. Banner. I hope there is objectivity, but there is no funding interest in the organization here. I would like to spell out a few principles regarding the preservation of our sources of our cultural heritage and civilization and turn from a somewhat different perspective to the matter Vartan Gregorian raised this morning.

Mr. YATES. The Gregorian chant?

Mr. BANNER. He not only speaks well, but he chants well.

Mr. YATES. Sorry, I couldn't help that.

Mr. BANNER. Our works of scholarship are deteriorating at an alarming rate. Dr. Gregorian's reference was to books and manuscripts primarily. I think we have to bear in mind, also, that materials in which the record of modern civilization is stored include photography, sound recordings, audio and visual cassettes and disks, materials that the large and great collections of the country, such as the New York Public Library, have not until recent years begun to collect.

They, too, are so new that there are archival characteristics and shelf-life questions, their durability is unknown and very little research has taken place.

The National Endowment cannot itself protect and preserve the records of civilization. All of us have to be concerned about that. The Endowment has been and must continue to be a catalyst for preservation efforts, for research into preservation, and cooperation in preservation activities and planning for future work.

Currently, the Endowment's preservation efforts are funded at $400,000 and the President's budget request retains that figure for fiscal year 1983.

It is my view, and that of many others which I have spoken with, that that modest amount should also be increased modestly to a level of $500,000 or $600,000.

It is not a great deal of money, but it can go a great distance in doing some of the things that simply must be done if the rate of deterioriation in the records of our civilization is to be halted and perhaps reversed.

A higher sum would permit the Endowment to move beyond the support for preventive and remedial measures which most of its activities have been directed to, into efforts to create new knowledge and fresh techniques of perservation and materials.

Knowledge and techniques that may make preservation less necessary than it is today.

Among the activities a higher funding would support and which the Endowment would consider supporting, if it had the funds, would be identification of a national research collection that must, at all costs, be preserved.

The education of scholars and university administrators about the preservations crisis itself, the broadening of the range of preservation efforts beyond books, to photographs, films and sound recordings and research into new causes of materials deterioration and its preservation.

If such efforts are not made, the generation of our children and their children may simply not have available to them the books, the manuscripts, the sound recordings, the records, the films upon which the history of their past will be written and will be stored and from which future generations will come to understand their own life.

So I come before you to urge that this subcommittee and the parent committee of which it is a part strongly support efforts to maintain the budget of the Endowment closely in relation to the needs of American culture and vote out a bill that carries a figure greater than $96 million.

I have laid out these general principles in part to allow Ms. Russell to speak more specifically from her own responsibilities and her experience with the New England Document Center.

[The statement of Mr. Banner follows:]

Statement of

James M. Banner, Jr.

Chairman

American Association for the Advancement of the Humanities

Before the

Subcommitte on the Interior Department and Related Agencies

Committee on Appropriations

U.S. House of Representatives

Hon. Sidney R. Yates, Chairman

7 May 1982

I am James M. Banner, Jr., Chairman of the American Association for the Advancement of the Humanities, a national membership organization that represents all aspects of the humanities in the United States. The Association has never been and has never sought to be a recipient of funds from the National Endowment for the Humanities.

Of all the challenges facing the humanities today, none is more critical than the preservation of the products of civilization and of the research sources upon which the history of human society has been and will be written. That challenge has many dimensions, all stemming from the fact that the records of civilization are deteriorating at an alarming rate. The traditional sources upon which fundamental research in the humanities has long been based -- original works of the imagination, works of scholarship set in books, and original manuscript and documentary sources -- are threatened not only by normal wear and tear and overuse but also by poor storage and the effects of such general conditions as air pollution. Works of scholarship written from basic sources, works upon which subsequent understanding is based -- principally books and journals published since the 1830s -- are gradually disintegrating from within due to the use in their production of acidic paper. And materials upon which the record of modern civilization is increasingly stored -- photography, sound recordings, magnetic tape, film, audio and video cassettes and disks -- are so new that their archival characteristics and shelf life are not yet fully known, provision for their preservation has only begun, and systems for their use are only now winning general acceptance.

The National Endowment for the Humanities cannot itself preserve the records of civilization, nor can it make up for the inattentiveness of scholars, institutions, and the producers of materials upon which these records are kept. Other groups must also provide support -- as many have begun to do. NEH can, however, be a catalyst for preservation efforts, for research into preservation methods, for cooperation in preservation activities, and for planning for future preservation work.

The Endowment has already served those purposes in supporting a broad range of model projects -- most of them preventive and remedial in intent. It has funded a program at Columbia University to train conservation personnel for libraries and archives. It has supported at the Rochester Institute of Technology the development of preservation methods for 19th century photographic prints. At the State Historical Society of Wisconsin, Endowment funds are underwriting the initial costs of a statewide conservation center. Federal monies have also supported early steps, through the Association of Research Libraries, to create a national effort to transfer deteriorating materials to microfilm and related microforms.

Currently, the Endowment's preservation efforts are funded at $400,000. The Administration's fiscal 1983 budget request retains that figure. That sum should be increased at least to $500,000, possibly $600,000 -- a figure in keeping with a desirable Endowment budget in the neighborhood of $145 million. Neither the Endowment staff nor existing institutions can properly absorb and use a larger sum. But $500,000 or $600,000 will enable the Endowment to help advance more rapidly and intensively the research, training, and planning for the preservation of research sources that are now critically needed. A somewhat higher sum than that requested will also permit NEH to move beyond support for preventive and remedial measures that look to retrospective collections to measures that create new knowledge and fresh techniques of preservation and materials production -- knowledge and techniques that may some day make preservation less necessary. Among the specific activities that higher funding for the Endowment's preservation program might support are the following: the identification of a national research collection that must at all costs be preserved; the education of scholars and university administrators about the preservation crisis; broadening of the range of preservation efforts beyond books to manuscripts, photographs, films, and sound recordings, and research into the causes of materials deterioration and its prevention.

It must not be said by future scholars and citizens that, for a few hundred thousand dollars, the record of the history of this nation and of the world of which it is part might have been saved -- but was not saved by the shortsightedness of the people's representatives in government.

Mr. Yates. You have given her a very good introduction.

Ms. Russell.

Ms. Russell. Thank you.

The books and documents in our research institutions are rapidly turning to dust and unless something is done about this problem, every book and manuscript in our libraries and historical societies and that map on the wall will eventually be as brittle as this piece of paper.

Mr. Yates. Graphic.

Ms. Russell. I am Ann Russell——

Mr. Yates. A dramatic demonstration, you must have used it before.

Ms. Russell. I can rely on this one.

Mr. Yates. Not the same piece, though.

Ms. Russell. I am Ann Russell, director of the Northeast Document Conservation Center.

Mr. Yates. Aren't you a singer, or is that another Ann Russell?

Ms. Russell. That is the famous Ann Russell. We are in Andover, Massachusetts. We are a nonprofit conservation laboratory and our purpose is to provide conservation treatment and microfilming for the many, many research institutions that never will have an in-house laboratory of their own, and never will have a professional conservator on their staff.

Each year, we do this work for about 300 different repositories and through our workshops and consultation, we reach at least a thousand others.

Some of these institutions you have certainly heard of. Mystic Seaport, New York Public Library, West Point Military Academy Museum, Metropolitan Opera Archives.

Mr. Yates. What do you do or are you going to tell me?

Ms. Russell. We physically restore books and documents that are deteriorating. We have specialized equipment and trained conservators on our staff.

Mr. Yates. You do this with etchings?

Ms. Russell. You bet.

Mr. Yates. That is interesting. When you went like that with your paper and it disintegrated, I couldn't help thinking of a mural etching I have that unfortunately when I took it out of the frame, started to crumble all around the edges.

I realized apparently that I had improperly mounted it.

Ms. Russell. Yes.

Mr. Yates. Your testimony is very appropriate. What do you want us to do? Now that you have presented the big picture, what do you want us, the Humanities, to do?

Do you want them to train people?

Ms. Russell. Well, they have already funded many programs through their small preservation and conservation line item that are addressing the field broadly. So far, these have been consciousness training, training of technicians, producing how-to-do-it manuals.

There are steps that librarians can take to protect their materials. They can turn to professional conservators, such as we have on our staff. We can take a book of records that is worn, and deacidify all the materials and mend it and rebind it as a handsome, durable volume.

Mr. YATES. That's beautiful. What would it cost to do that?

Ms. RUSSELL. It is very expensive. It is only appropriate for those items which really have artifactual value.

Mr. YATES. What is that book?

Ms. RUSSELL. This is a blank book. I couldn't bring you the valuable books.

Mr. YATES. Okay, that is an exhibit.

Ms. RUSSELL. Here are two pages from the same book. This is before treatment. It was worm-eaten, worn and torn, couldn't possibly be rebound in this condition.

After treatment in our center, all of those worm holes are filled. You can see when you hold it up.

Mr. YATES. I am impressed. I still don't know what you want me to do.

Ms. RUSSELL. Okay, what the NEH has been doing through our center is fund a field service office and we have on our staff a field service director whose main job is to perform on-site consultation for libraries and archives and tell them how they can protect their collections through better environmental controls, use of storage materials, modifying their building to make it more suitable as a repository and then identify priorities for actual microfilming or treatment.

For example, we might advise on the use of acid-free folders for storage of documents, encapsulation of documents that are heavily used in mylar, or use in these protective storage boxes.

Mr. YATES. Oh, my. Everybody in the country who has a book should know this, shouldn't they?

Ms. RUSSELL. They don't.

Mr. YATES. I know they don't, but how does your program provide the kind of information that people would like to collect books—apart from libraries—can take advantage of it?

Do you give courses in it? Are you proposing that the humanities give courses or train people in it or offer some kind of avenues for assisting in this effort?

Ms. RUSSELL. Well, I think the Humanities Endowment, like our organization, can only address the problem on an institution level, the repository institutions.

For all of the individuals, they benefit from the research and publication that we are doing. At the moment, our mission is really to help the nonprofits.

Mr. YATES. Why don't you write a column like Ann Landers for all the newspapers?

Ms. RUSSELL. Sure.

Mr. YATES. Like Ms. Manners or Ann Landers or other people who deal with personality problems. I would think yours would be an interesting column, at least for a while until you went through all of your expertise, but that would be some time, I take it.

Certainly as one who collects things, books and records and etchings and things of that sort, I would think the horizon is unlimited for you in what you are doing?

Ms. RUSSELL. That is why it is so sad that there is so little public awareness of the problem because everybody has an old family photograph or Civil War discharge or something and has the problem right at hand.

Mr. BANNER. It is only recently, Mr. Chairman, that this problem has been recognized and at all generally understood in the educational community. I would say within the last 10 years.

It is only in that time that resources have begun to be developed to provide the kind of restitution and rescue that Ms. Russell and I and most in this room are so concerned about.

Mr. YATES. There are not many conservators, are there? You do for books what somebody did for the painting in the Capitol after it was slashed by a vandal.

Ms. RUSSELL. Yes.

Mr. YATES. They have to take this huge painting out and turn it over to a group of conservators in order to restore it.

Ms. RUSSELL. The field is better developed to address museum rather than library and private collections. So NEH has involved itself in this area in the last few years and I think has created some monument but it is a massive problem.

At the moment, they can't deal with institutions on an institution-by-institution basis. They are funding model programs and regional programs as ours that can reach many institutions.

Mr. YATES. Does Mr. Bennett know what you do?

Ms. RUSSELL. I hope so.

Mr. YATES. I hope so, too.

Ms. RUSSELL. Actually, the conservation program was restored in the proposal.

[The statement of Ms. Russell follows:]

Statement of

Ann Russell, Director

Northeast Document Conservation Center

House Committee on Appropriations

Subcommittee on the Department of the

Interior and Related Agencies

May 7, 1982

My name is Ann Russell. I am Director of the Northeast Document Conservation Center, a non-profit, regional conservation laboratory specializing in restoration of library and archival materials. Each year we provide conservation services to several hundred research institutions that do not have in-house facilities or staff expertise. Through our workshops and consultation we reach at least 1,000 more. And so we have firsthand knowledge of the overwhelming scope of the deterioration problem facing libraries, historical organizations and archives of this nation.

With the decline in paper quality from the mid-nineteenth century onward, and the increase in atmospheric pollution, the rate of deterioration of paper has increased geometrically. More paper will deteriorate during a ten year period in the 1980's than during the entire eighteenth century. Raw data from a recent survey of the Yale University libraries suggests that as many as 86% of the books have acidic paper, i.e., pH of 5.3 or lower; 45% are already brittle. New York Public Library estimates that half its books are too brittle to be handled by researchers.

A landmark study by the Barrow Research Laboratory in the 1950's indicated that 50% of paper produced before the middle of this century will not last to the end of the century without some conservation attention. The problem is compounded by the fact that there are fewer than 50 certified paper conservators in the entire country.

The deterioration of our documentary resources is a critical national problem and should be a key priority for action. Unless something is done about the problem, much valuable material will be lost forever. Recently the State Charter of New Jersey, from King Charles II of England to George Carteret, was brought to our Center for treatment, worn, torn and severely stained. The site plan for Lincoln Memorial, sent to us for restoration by National Archives, had been mounted on a brittle, acidic board and had literally snapped in half. A logbook from the U.S.S. Constitution came to us with its spine shattered, the pages falling out. We treated a letter from Thomas Jefferson to the citizens of Louisville, Kentucky, which was faded and rapidly becoming illegible. Early newspapers which we recently microfilmed for New Hampshire State Library turned to cornflakes as the camera operators turned the pages.

In the past, neglect has been the rule at libraries and historical organizations. Until recently, how many institutions have installed climate controls, established conservation laboratories or budgeted for collection maintenance on a regular basis? Very few indeed. Today, however, librarians and archivists are expressing increasing alarm over the deterioration problem, and we are witnessing an upsurge in interest in conservation and preservation programs. We are beginning to develop the technical capability to prolong the life of collections through preventive maintenance, restoration, or transfer of information to the more stable medium of microfilm.

NEH has played a leading role in consciousness raising and stimulating interest in preservation. The Endowment has funded model projects for training technicians and administrators as well as setting priorities for selecting what to preserve. NEH is the only agency capable of providing national coordination in this field.

The amount of Endowment money available for conservation has been small, about $400,000 per year, certainly not enough to preserve collections on an institution-by-institution basis. But these funds have been used strategically for projects with regional or national impact. For example, an NEH grant to our Conservation Center has enabled us to add to our staff a full-time Field Service Director, whose major responsibility is providing on-site consultation to libraries and archives. Her recommendations are summarized in a written survey report which assesses conservation needs and suggests priorities for implementing improvements. The program primarily serves small and medium-size repositories with no in-house conservation laboratory beyond the most primitive capability and little or no staff expertise.

As a result of NEDCC's surveys, environmental control systems are being installed at the Portsmouth, New Hampshire, Athenaeum; and materials have been moved out from under water pipes, a potential disaster risk, at Stockbridge, Massachusetts, Library Association. Ultra-violet screening films were installed on windows and fluorescent light tubes at Williams College library. All records at the North Yarmouth, Maine, Historical Society were fumigated. The Helen Hartness Flanders ballad collection at Middlebury College was restored.

Other NEH funded projects which will significantly advance the preservation movement in this country include a full scale graduate program at Columbia University to train book conservators and conservation administrators, and a project at Association of Research Libraries to produce a conservation self-study manual for major research libraries. With NEH support, Research

Libraries Group is beginning to develop a cooperative microfilming program based on shared responsibility and bibliographic coordination in selecting collections for preservation.

Today, many repositories are at least aware that they have a preservation problem and are committed to doing something about it. Now is the time to build on the momentum that NEH has created, not to pull back. Our Center opposes any cuts in the budget for NEH. In 1982 the line item for conservation and preservation was excised because of budget pressures. We are glad that the line item has been restored for 1983.

We need an active conservation and preservation program at the Endowment with more funds to strengthen existing cooperative initiatives and to encourage new ones. It is time for NEH to make the difficult transition from consciousness raising and educational projects to action projects. This will require not only more money, but also more staff time for planning, coordination and working with applicants in developing viable programs. Only if the principle of Federal responsibility in the humanities is firmly upheld will the Preservation Program at NEH be able to grow to meet the needs.

Finally, we are aware of Congressman Yates' strong interest in preservation of cultural property. I would like to take this opportunity to thank him for his support.

Mr. YATES. Thank you for that. I am delighted to hear that.

Thank you, Mr. Banner, too.

We will come back at 1:30.

Thank you again for coming in. We will break for lunch.

AFTERNOON SESSION

Mr. YATES. Mrs. Peterson, Mr. Brown, Mr. Munoz and Mr. Tchen, and also Miss Hull. All your statements may be made a part of the record.

Mrs. Peterson, do you want to start off?

FRIDAY, MAY 7, 1982.

PUBLIC UNDERSTANDING

WITNESSES

JOAN HULL, EXECUTIVE DIRECTOR, NEW JERSEY HISTORICAL SOCIETY, NEWARK

GRETHE PETERSON, VICE PRESIDENT, NATIONAL FEDERATION OF STATE HUMANITIES PROGRAMS

RICHARD BROWN, DIRECTOR OF RESEARCH AND EDUCATION, NEWBERRY LIBRARY, CHICAGO

GERMAN MUNOZ, ASSISTANT PROFESSOR OF POLITICAL SCIENCE, MIAMI-DADE COMMUNITY COLLEGE

JOHN TCHEN, EXECUTIVE DIRECTOR, CENTER FOR COMMUNITY STUDIES, ASIAN AMERICAN RESEARCH INSTITUTE, NEW YORK

Mrs. PETERSON. Fine. We very much appreciate you, your efforts and the opportunity to be here, and specifically I want to speak about State programs and State councils.

I am here because I am a member of the Utah Endowment for the Humanities, and I have been for 4 years, and chair for 2 years, and Vice President for the National Federation of State Humanities Councils, and we do have members in the audience.

They could all tell you some love stories about the humanities. Perhaps more important, I suppose that I am here because of my love for the humanities; and through my experience as a student, not a scholar, and as a volunteer, not a staff person, I have really come to believe that knowledge of the humanities can and does broaden our vision and make an enormous difference with the way we see our world.

State programs help this happen, and I care about this.

I am here because I care and I know you care and we all should care.

I would like to make three points about State councils. You have my testimony in which there are examples of what they are doing there. The first point I want to make is this: State councils represent a really daring concept in participatory democracy. Here we have Federal money going to the States which in turn are regranted to community organizations by an independent volunteer committee.

Now, that is pretty exciting, I think, and challenging. We have to admit that there is no doubt that there is great risk involved in this process, and in this public trust.

Occasionally a program turns out quite differently than we anticipate and as a matter of fact, there has been some national coverage of such kinds of things that have happened. Occasionally, mistakes of judgment are made, and there is no doubt about that, in the granting process, but the committee really strives very hard to deliver quality programs and we work very hard on it, and I think we have very good examples of the kinds of things that we do, and we do well which leads me to my second observation.

One can not help but be impressed, as I was when I first went on a State committee, of the dedication and the quality of committee members in State councils.

They take their mandate very seriously. They work very hard at it. They devote thousands of volunteer hours on proposal review, on community business and community relations.

Other groups commit thousands of volunteer hours, too. There is no doubt about this, but this is a particular kind of professionalism that is demanded of public people which is very stimulating, and it has been for me as an individual.

The Utah Committee is an example that probably could be duplicated statewide. In it, we have scholars represented from every institution of higher learning. We have university presidents. We have had the most prestigious people behind the initial planning and organizing of our committee, and we have public members who are leaders in their professions and their communities from all over Utah, from the rural as well as the urban parts of Utah.

There are urban parts of Utah which you may not realize, but there are. These people provide the community support that our councils need but they also provide a rigorous and ongoing critique of what we do. We are very hard on each other and I think that is very healthy; good things come of that.

My third point is that State councils have really responded to the 1982 budget cuts with realism and energy. Our energy has been spent on reassessing what we are doing. There has been extensive review of all of our guidelines, of the kinds of programs we have funded in the past, can we afford to fund them in the future. We are looking at our priorities and this has been very healthy. The realism, however, is the knowledge that our very, very small budgets cannot get smaller if we are to survive, and we are feeling the pinch, I think, as no one else in the Endowment does. We can't carry out our mandate to the people of our communities on budgets less than $200,000 a year.

Of course, larger States feel that crunch much more than smaller States. We are looking for ways of saving money. We are all doing that. We are looking for ways of raising money. We are forming new collaborations and alliances and strengthening our relationships with our States, with foundations, with business, but you know very well how difficult it is to raise money in this economy.

As was said this morning, everybody is going to the same wells, and it is extremely difficult, but if we are going to succeed, we have to have the Federal base that we have now. There is no question about that, so, therefore, as State councils, functioning as State programs, we really join with others to say that the funding cannot go below the 1982 level, and there has been talk of the figure of

$113.7 million. That is absolutely unacceptable. We cannot survive on that, and I feel that very deeply.

After 10 years, we are coming into our own, and we are reaching more people in communities than we ever have and there has never been a time when we need the vision, and the kind of thinking that the humanities provide, and I think State councils and State programs matter because this matters.

Thank you.

[The statement of Grethe Peterson follows:]

TESTIMONY OF GRETHE PETERSON
VICE-PRESIDENT, NATIONAL FEDERATION OF STATE HUMANITIES COUNCILS
AND CHAIR, UTAH ENDOWMENT FOR THE HUMANITIES

BEFORE THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
OF THE
COMMITTEE ON APPROPRIATIONS, UNITED STATES HOUSE OF REPRESENTATIVES

May 7, 1982

I appreciate the opportunity to testify on the Fiscal Year 1983 budget for the National Endowment for the Humanities, particularly with regard to the state humanities councils. I am here because of my work with the Utah Endowment for the Humanities, four years as a council member and two years as Chair, and as the current Vice-President of the National Federation of State Humanities Councils. But perhaps even more important, I am here because of my commitment to the humanities. Through my experiences as a student and as a volunteer in the private sector, I have come to understand that the humanities are more than bodies of knowledge which link the present with the past and the future. The humanities provide us with a way of looking at and responding to the world we live in. The humanities can help us place ourselves in a cultural, historical, and philosophical context, enabling us to make better decisions for ourselves and for our society.

State humanities councils were established in 1971, in the words of law which created NEH, "to furnish adequate programs in the humanities in each of the several states." While there may be debate as to what constitutes "adequate," there can be no doubt that state councils are doing what they are supposed to do. A brief description of representative projects may reveal more clearly how one typical council, the Utah Endowment for the Humanities, accomplishes its goals.

In one of our more unconventional efforts, for instance, an anthropologist has been assisting the Ute Indian Tribe strengthen its language. The circumstances of this project are exceptional. The Utes believe their language has secret powers and are thus very protective about using it. Probably for this reason, Ute has not become a written language. Without documents, with nothing to preserve and read, Ute is entirely dependent on oral traditions. These traditions are weakening as time goes on. Somewhat curiously, for instance, families, rather than generations, are keeping the oral tradition of Ute alive, and fewer and fewer families are doing so as time passes. The project anthropologist, who has won the trust of the Utes and learned to speak the language, is now working with the families that still use the language, teaching them to become teachers of other families. If this "cadre" idea succeeds, and it seems to be, the language will take on new roots in Ute society, even as the people continue to participate in contemporary society.

This project is enabling a culture to maintain its traditions through its connections with the past. It is helping a people sustain their identity and place in the development of the American West. Without such distinctive and creative peoples, the culture of the West loses its powers to energize and inspire. Our efforts with the Ute tribes have enlarged the state's appreciation of another culture and its contribution to our past.

Let me mention another project, this one designed to reach the rural population of Utah. A Humanist-in-Residence program has enabled us to bring together some of the finest humanities scholars in the state with people living in small isolated communities. The scholar works with the sponsoring organization (school, city government, museum, hospital, prison) on a program or format that enables him to provide an experience in the humanities for the community. One of our residencies was spent in several communitites in a large southeastern county, whose people make their living in ranching, farming, and mining, and where there is a large Ute and Navajo population. The humanist, a professor of English on sabbatical, found that film programs, especially films based on books and plays, were effective ways to draw people from different backgrounds together for discussions of content, style, and message typical of the humanities. The film series was enormously successful because of the number of people attending -- and the issues that it raised.

We bave found, as have other state councils, that the mini-grant (grants up to $1,000) often have a pronounced "multiplier" effect in terms of the ratio of quality per dollar. It was used to support an apparently conventional humanities-and-public-policy project, "The Energy Crisis and the Humanities" at the Weber County Library. I say "apparently conventional" because, though its format was a fairly standard lecture series, it used scholars who skillfully presented material and generated significant discussion. The presentations were sound and, in each case, specifically linked to the philosophical concerns about man and his environment. The series dealt with the Western religious and scientific views of man and his environment, the ethical and political issues of limited resources, and finally considering alternatives for the future. One speaker insured a kind of "gathering effect" by acting as moderator and questioner of the preceeding speakers, an ethicist, a political scientist, a family studies specialist, and a chemist. One of our more simple and inexpensive projects was one of our best because of context and presentation; it was substantial, informative, and stimulating.

It might be useful for you to know something about the operation of state councils. Our work falls basically into two categories: grant-making and policy-making. Councils meet three or four times each year to discuss applications for project support, as well as reports and recommendations from staff and subcommittees regarding policy questions. Such questions could include changes in guidelines (e.g., shall the council reserve a certain amount of its funds for programs in oral history? in public issues? etc.); how to raise more non-federal funds (either through intensive efforts by council members or by helping project directors raise money in their communities); whether to identify a particular area of interest (e.g., the humanities in the health professions) and distribute a "Request for Proposals" throughout the state; and how to improve the level of participation by academic humanists from the state's institutions of higher education. Other policy matters could be listed here, but these are enough to show that the councils are not merely passive application-receiving bodies. They have responded to the challenges implicit in the 1976 and 1980 authorizing legislation and to encouragement from NEH by seeking recognition in their states as important, autonomous, effective institutions for cultural and educational affairs.

Members of state humanities councils are not unique among American volunteers, but they do display the unusual dedication, initiative, and energy which characterizes volunteer work at its best. They define their council responsibilities expansively, they take their mandate seriously, and strive to involve as many citizens in as many settings as possible. Their contributions exemplify the kind of public philosophy envisioned in the originating legislation.

The councils now look to an uncertain future. They have, characteristically, treated the threat to their program budgets as an intellectual challenge and organizational problem. They have set about systematically appraising their programs, reassessing their activities, and realigning their priorities. They undertook these tasks collectively and individually: collectively, through the National Federation of State Humanities Councils, whose Study Group on Alternatives for the State Councils disseminated a widely used report summarizing council plans and responses; and, individually, in adapting the generalized suggestions to their local circumstances.

A multitude of ways to save money and increase funds for their programs have been considered. These include stregthening the councils' capacity to raise non-federal funds, which was the subject of a workshop arranged by the Federation at the 1981 National Meeting of State Humanities Councils. The councils are becoming increasingly sophisticated and adept at enlisting the support of corporations, individuals, and foundations for their programs, as the table below shows. What we see is a steady and reliable growth in the gift-getting capacity of the councils, underlining the importance of the gift and matching authority.

Funding History of State Humanities Councils

Fiscal Year	Number of State Councils	NEH Obligations	Gifts Received by NEH for State Councils
1971	6	$ 587,000	$ -0-
1972	17	2,216,000	-0-
1973	32	5,160,000	14,000
1974	41	7,568,000	67,000
1975	50	13,529,000	80,000
1976	50	18,092,000	450,500
1977	51	18,978,000	738,730
1978	51	18,500,000	1,407,647
1979	52	20,678,500	1,898,408
1980	52	21,081,074	2,317,000
1981	52	23,947,000	2,845,000

The councils have also given considerable thought to cutting back on council meetings, publications, staff travel, and staff size. But we have found there is a point at which the attempt to save money by reducing administrative expenditures becomes counterproductive. A certain minimal structure must be maintained if the councils are to remain at all effective. Most are at that level now: two to six persons, depending on the size of the state, have been found to be needed to manage grants, coordinate council activities, evaluate projects, and stay informed of the interests and needs of the people and institutions of their states.

Thus, the councils join with other proponents of the humanities in asking that funds for NEH not be reduced in Fiscal Year 1983. Funds for the Division of State Programs in recent years have been fairly stable at about 22.48% of NEH's program funds. This has resulted in the FY 1980 grant levels to the state councils shown in Appendix A. The Division has reported that it intends to maintain total funding for the councils in an amount equal to or a little greater than their FY 1980 levels through October, 1983, if funding continues at its current level.

If total funding should fall, the councils' grant-making potential would be severely impaired. In fact, in such a case, they might not be able to support enough projects to attract the non-federal gifts needed to release NEH matching funds to any significant degree. This is a good reason to retain the outright funding for the state councils at their present level.

The councils, to be sure, are dependent on federal funds. The nature of this "dependency" must, however, be qualified. First, the councils' dependency is perhaps unavoidable, not only because of the financial circumstances of many state governments (only one of which, that of Puerto Rico, has made any serious effort to incorporate its humanities council into the government) but because of the kind of civic educational experiment that the state councils represent. They would probably not survive if left to the give and take of the economic marketplace or the preferences of administrators in higher education. It can survive as a federal program, but this should not be construed as a liability. In supporting some experimental, non-traditional forms of education, the federal government is demonstrating its legitimate capacity for effective leadership. Second, every council succeeds in matching its entire federal grant with services and goods, i.e., "in-kind" contributions, and with cash gifts. This is, of course, required by the law. But not only is every federal dollar matched, it is overmatched: the total value of in-kind and cash contributed to the programs they sponsor invariably exceeds the outright grants. And third, the councils' grantees are not dependent on federal funds or on the awards by the councils. They are not temporary organizations which depend on the councils for their main support; they are permanent educational, civic, religious, and ad hoc groups which collaborate with the councils in pursuit of common ideals and interests. State councils represent effective grass roots efforts that bind communities together.

By assuring the continuity and strength of the state humanities councils, Congress will be contributing to the maintenance of the productive partnership among such groups, the councils, NEH, the Congress itself, and American comminities.

Appendix A

NEH GRANTS TO STATE HUMANITIES COUNCILS 1980

State	1980 Authorized Outright	Authorized G&M	Total
AL	$373,000	$ 15,000	$388,000
AK	396,000	300,000	696,000
AZ	344,000	30,000	374,000
AR	358,000	80,000	438,000
CA	820,136	450,000	1,270,136
CO	375,042	100,000	475,042
CT	376,000	150,000	526,000
DE	309,000	60,000	369,000
FL	502,000	50,000	552,000
GA	390,660	8,000	398,660
HI	378,000	110,000	488,000
ID	328,000	85,000	413,000
IL	562,000	250,000	812,000
IN	430,000	230,000	660,000
IA	342,000	50,000	392,000
KA	362,000	45,000	407,000
KY	387,000	30,000	417,000
LA	398,000	200,000	598,000
ME	323,000	30,000	353,000
MD	402,000	200,000	602,000
MA	439,000	20,000	459,000
MI	516,000	125,000	641,000
MN	399,000	100,000	499,000
MS	363,000	30,000	393,000
MO	418,000	30,000	448,000
MT	333,682	20,000	353,682
NE	344,000	80,000	424,000
NV	323,000	50,000	373,000
NH	333,640	10,000	343,640
NJ	474,000	175,000	649,000
NM	336,000	25,000	361,000
NY	709,000	250,000	959,000
NC	434,000	80,000	514,000
ND	323,000	200,000	523,000
OH	551,000	200,000	751,000
OK	374,000	180,000	554,000
OR	371,683	80,000	451,683
PA	581,151	150,000	731,151
PR	381,000	20,000	401,000
RI	330,000	75,000	405,000
SC	374,000	70,000	444,000
SD	324,000	150,000	474,000
TN	407,000	100,000	507,000
TX	620,000	300,000	920,000
UT	318,000	40,000	358,000
VT	320,000	50,000	370,000
VA	425,000	120,000	545,000
WA	485,000	250,000	735,000
Wash. D.C.	324,000	10,000	334,000
WV	357,403	50,000	407,403
WI	414,000	30,000	444,000
WY	318,000	20,000	338,000

National Federation of State Humanities Councils (May 1982)

Mr. YATES. Okay, Mr. Tchen.

Mr. TCHEN. I am the Executive Director of the Asian American Research Institute, Center for Community Studies.

I come today to talk about our NEH funded New York Chinatown History Project which has gotten funds from special programs and also from museums and historical organizations.

I would like to preface my remarks by saying that I am very proud of being an American citizen. I don't say this out of a blind patriotism. For those, if you have had a chance to study certain parts of American history which deals with the passage of the Chinese Exclusion Act, you will realize that that act was passed exactly 100 years and 1 day ago, and it was signed into law by President Chester Arthur.

That law basically denied immigration of Chinese workers to this country. Additional local and Federal legislation effectively denied laborers rights to naturalization and also to bring their wives and families over and in many States to marry whites.

When I talk about the history of Chinese in America, I am talking about an experience that has been profoundly influenced by the Federal Government's role in it. If it were not for the repeal of the Chinese Exclusion Act of 1943, I wouldn't be testifying before you today.

If it were not for the NEH, millions of Americans would simply be kept in the dark about the rich and vital history of Chinese in the United States that is now just beginning to emerge.

The New York Chinatown History Project is a community documentation endeavor. There has never been documentation of New York Chinatown. There is very scant literature. If you were to go to any of the libraries in New York, as well as the Library of Congress, you would find very little information, so we have a staff of world historians, urban social historians, folklorists, photographers and writers, and many people playing dual roles and many advisors helping us out looking into the everyday life and culture of what is now this Nation's as well as North and South America's largest Chinese community.

It is our commitment that all the history and folklife we learn from the members of the community we bring back into the community.

This is not simply a desire to develop public programs, but also a way to gather more information and to develop a soild base for present and future scholarship to be done.

In community documentation projects, one of the major problems we need to deal with is to develop the trust, the relationship with the community to open up to us. Attempts done by academics based in universities have really been largely unsuccessful in doing this kind of thing.

Chinatown is really seen as a rather closed kind of society, and for various good reasons, I might add. It has been that way. When we do exhibits, slide shows—all bilingual—pamphlets, walking tours, we use it as a way of finding out more information from the community, and in this sense, public programs is not simply an end product, but is also part of a process of gathering more materials for future scholarships, and to really refining the quality of what we can do.

Our focus this past year has been on the history of Chinese laundry workers. I know just the mention of laundry workers probably evokes all sorts of images in the general public's mind. There has been a long tradition of benign as well as very racist types of images of Chinese laundry workers.

We chose this area to research because up until recently it has been the major occupation of Chinese in the United States. I have learned a few valued lessons about the role that the humanities can play in a community such as ours.

I would like to share a couple of examples with you. The first one is that when we began the project, we wanted to be able to work with the local media in talking about the project, and in getting them to help us gain access to different segments of the community.

There are nine daily Chinese language papers in New York Chinatown alone, and they range politically from far right to left. We wanted to develop a good relationship with all of them, so we won't be excluded from any part, from any segment of the community.

One of the more moderate papers printed an article about the project, including a photograph that a staff photographer had taken.

This coverage precipitated a retired laundry worker to write a series of two articles about his personal remembrances and the following week a number of letters were sent to the paper's editor from retired laundry workers talking about their lives as well.

We quickly realized that the community was very hungry to reflect upon and discuss their lives and work, and that the project provide a vehicle from which they could do this.

The other field experience I would like to share is something that occurred in January of this year. The day before New Year's, 1982, Mr. Wong, second generation laundryman in the South Bronx, was murdered in his shop.

Two weeks later we received a call from one of his daughters saying that they were going to close down the business, and they were wondering if we could help them return the laundry that was outstanding to their customers. So for the next four weekends we helped the family pack their personal belongings and to deal with the customers.

In exchange, they basically let us into their lives, and we were able to document not only the artifacts that were in the laundry, many of them which were hand made furniture by Mr. Wong, but also the stories that went with them.

At one point the oldest daughter stood in front of the ironing table, and looked down on about a square foot of linoleum that had been worn down to the wooden floor below, and she said, "This is where my dad spent his life. This where he ironed."

That is the type of information we have been getting. In this case, we were extremely privileged to be let into the lives of this one family, and we were invited because we had somehow managed as a community-based history project, humanities project, to gain the trust of a family we had not known and this is something that universities, university-based type scholarships have up until this point not been able to do, so in part; what I am arguing for is that in the discussion about excellence of scholarship, it is important to keep in mind that excellence in scholarship in the past has been fine in a particular number of fields, especially in history which is where my training is and the history of Chinese and Americans have not been a part of that tradition, and if indeed we were to go back to the dark ages of those definitions, we are in danger of losing not only the history of Chinese and Asian and Americans, but also the history of numerous other groups, and that to me is not a question of excellence. It really then becomes a question of how much the Government really does want to encourage and stimulate the dialogue of this American citizenry in the humanities and the arts and how limited a definition do they want to have.

Mr. YATES. Thank you.

[The statement of John Tchen follows:]

Statement of

John Kuo Wei Tchen
Historian & Executive Director
Asian American Research Institute,
Center for Community Studies, Inc.

House Committee on Appropriations
Subcommittee on the Department of the Interior
and Related Agencies

May 7, 1982

My name is John Kuo Wei Tchen. I am the Executive Director of the Asian American Research Institute, Center for Community Studies which is based in New York City's Chinatown. I appear before you today wearing several "hats." I am here as a director fundraiser for a community-based humanities project called the New York Chinatown History Project which is sponsored by the Institute. I am also here as a professional historian. And, finally, I am here as an American-born citizen of the United States. I consented to the honor of testifying in front of this subcommittee today because the NEH has played an absolutely critical role in my professional and personal life. As a director, a historian, and a citizen, I feel obligated to point out some of the dire consequences that further budget cuts in the Division of Public Programs and Special Programs will have upon the American public and humanities scholarship.

I would like to preface my remarks by saying that I am proud of being an American citizen. And I am proud of being an American citizen of Chinese descent. This pride does not come from a blind patriotism. Those of you who have studied American history may be aware that the Chinese Exclusion Act was signed into law by President Chester A. Arthur on May 6, 1882, exactly one hundred years and one day ago. This law gave Chinese laborers the dubious distinction of being the first immigrant group denied entry into the United States. The only other people denied entry during this time were those deemed prostitutes, criminals, paupers, insane, deseased, idiots, and polygamists. This law, and a host of other local and federal legislation, effectively denied Chinese laborers the rights to become naturalized citizens, to bring their wives and families over, and, in many states, to marry whites. This is not the time or place to discuss the intricacies of American history. It suffices to say, if it were not for the repeal of the Chinese Exclusion Act in 1943, I would probably not be testifying in front of you today. And if it were not for the NEH, literally millions of Americans would simply be kept in the dark about the rich, vital history of Chinese in the United States.

The New York Chinatown History Project is a community documentation endeavor designed to reconstruct the hundred-year legacy of what is now the largest Chinese community in North and South America. The staff, hired in the fall of 1980 with NEH Special Programs funds, is made up of historians, folklorists, historic preservationists, photographers, and writers. Despite the fact that this community has played a very large role in the everyday life and culture of New York City, there is frightfully little public knowledge or understanding about it. Only a small handful of books and dissertations have been written, and those interested in learning more about Chinatown's past can find scant photographs, documents, or other resources in any of the city's libraries, universities, museums, or historical institutions. Nor does very much documentation exist in the Library of Congress or the National Archives. It is our commitment that all the history and folklife we learn from members of the community, once analyzed and organized, will be brought back to the community in the form of bilingual radio programs, slide shows, pamplets, plays, exhibits, walking tours, outdoor kiosks, and assorted other educational formats. The long-term goal of the Project is to create a permanent historical center that Chinese and non-Chinese Americans can be proud of and participate in. This process of gathering, developing, and giving back what we learn from our community not only results in humanities public programming, but it also serves to create the primary collection of resources from which future scholarship can be based.

Our focus this past year has been on the history of Chinese laundry workers. I realize that the mere mention of the phrase Chinese laundrymen evokes all sorts of stereotypical images in American popular culture and folklore. We chose this area to research because it has, up until recently, been the major occupation of Chinese in the United States, and because it is a rapidly disappearing way of life. In the process of our work, I have learned a few lessons about the vital role a community-based humanities project can have in the Chinese American community. I would like to share two field experiences with the Subcommittee. The first occurred early in our work. Project staff decided that we needed to develop close working relations with all nine of the daily Chinese-language newspapers in New York Chinatown. these papers range politically from right to left, and we wanted to have each paper cover our research to facilitate access to a broad readership. One "moderate" paper eagerly printed an article about the Project and included a pricture taken by one of our photographers showing a laundry worker pressing shirts. This coverage then precipitated a retired laundry worker to write a series of two articles about his personal remembrances. The following week, a number of letters were sent to the paper's editor from retired and active laundry workers volunteering their experiences. We quickly realized that the community was hungry to reflect upon and discuss their lives and work. And the Project provided a vehicle from which they could do this. The other field experience occurred in January of this year. The day before the new year, Mr. Wong, a second generation laundryman in the South Bronx was murdered in his shop. Two weeks later we received a call from one of Mr. Wong's daughters. She had heard about the Project, and mentioned that the family wanted to close the business and needed our help in returning the laundry to their customers. For the next four weekends we helped the Wong family pack their personal belongings and deal with customers. In exchange, they let us into their lives and donated the entire contents of the laundry. We, therefore, not only received such artifacts as old eight-pound irons, but also the stories that went with them. At one point, the oldest daughter stood in front of the ironing bed looking down on a square of linoleum that was worn to the wooden floorboard underneath. "This is where dad spent his life. This is where he ironed." We were indeed priviledged to be let into the lives of this family. And we were invited because we had somehow managed, as a community-based history project, to gain the trust of a family we had not known.

I mention these two examples because they provide some insight into the deep interest and value one community places in its own history. Our presence has created a space through which open dialogue can now flow. Our traveling exhibit on the history of laundry workers, entitled the "Eight Pound Livelihood," helps to give a humanities shape and perspective on this continuing dialogue. The exhibit has become both an educational program and a means to gather more information, thereby refining present and future scholarship. NEH-Special Programs has been instrumental in nurturing this Project from its initial planning towards an increasing self-sufficiency. The very experimental nature of this Division has enabled us to explore a terrain of humanities studies that those in the academies have not had access to. In fact, university scholars regularly come to us for help and resources. Although I can only speak about the interest we are generating in New York Chinatown, I have been receiving calls from all over the country from scholars interested in developing similar projects in their localities.

I am alarmed at what appear to be rather glib rationale for the further cutting back of NEH funds. Two arguments are especially problematic. First, it has been repeatedly stated that the budget cuts, especially in the areas of public programs, won't make that much difference, and corporations and foundations will pick up the slack. As a director and fundraiser, I would like to know where are these foundations and corporations? I have found that general federal budget cuts have in fact turned many foundations away from funding the humanities so they can deal with an avalanche of social service requests. In addition, the great majority of foundations and corporations simply don't have staff or expertise to evaluate proposals in the humanities. In fact, they often look towards NEH's panel and reviewer process to provide direction on where to place their funds. Past NEH funding has actually attracted other monies. Second, it has been expressed that there has been a laxity in the funding process, and that humanities programs for the general public are for some reason less important. Indeed, the NEH needs to return to some "purer" form of scholarship. These disproportionate reductions in the Public and Special Programs spheres signals, in my opinion, stepping back to the dark ages when a narrowly defined notion of "proper" humanities inquiry far removed from the everyday world of the American public predominated. The practice of history has a long tradition of superb and important work outside of the academy. The work we are doing in the New York Chinatown History Project cannot survive in such a limited definition of scholarship. From my perspective, excellence in the humanities requires the involvement of the citizenry in open discourse in the humanities. The practice of the arts and humanities by the public are fundamental elements for a strong, diverse, and democratic national culture. I strongly urge this committee to reject the disproportionate cuts in the NEH Public and Special Program areas and I urge the Subcommittee to support the overall funding of NEH at or above 1982 levels.

Mr. Chairman, that is my statement. I would like to thank you for the priviledge of presenting it to you and your colleagues on the Subcommittee.

Mr. YATES. Mrs. Hull.

Mrs. HULL. I am speaking really from a grass-roots point of view. I am speaking as a recipient of a number of NEH grants.

The New Jersey Historical Society is no prototype of historical organizations in the United States, but perhaps by talking about our experience with the New Jersey Historical Society, you might gain some insights in terms of the impact of NEH funding for organizations similar to mine, larger than mine and smaller than mine.

Mr. YATES. In the background, I am Director of the New Jersey Historical Society which is an institution founded in 1845. It is in its 137th year. It has 34 adult members, 1,900 student members. It has a library, a museum, publications department, education program.

Our collections conservatively are valued at around $8 million. We are in essence a medium, progressive-sized organization with a modest budget.

Our mission is to collect and preserve and interpret New Jersey history. Obviously, I am here to encourage you and the committee to support the current level of funding, and if possible, increase it.

I would like to, if I can, proceed through the various phases of Federal funding in terms of the historical society, and its immediate and long-range results. The society received its first major infusion of Federal funds in 1977, this was the first funding, and it was awarded a planning grant for self-study in the amount of $49,000. We matched it with $12,000.

In 1979 it received a challenge grant of $75,000 which was matched by $231,000, last October, well before our June deadline.

As a result, in 1977 the society's budget was $386,000, today, it is $650,000. In 1977, there were 16 full-time staff employees; today there are 27 full-time staff employees.

This rather extraordinary growth we feel is attributable to NEH funds. The users of the library have increased by 100 percent, and we have added a staff member to the library who formerly had been employed as a result of the NEH grant.

In the museum we have added a staff member, again an individual formerly employed by an NEH grant, and as a result, the Society is now prepared to apply for the American Association of Museums' accreditation.

We have added a totally new department called publications. We are publishing books as well as periodicals. The Education Department has added another professional to the staff, and this again was an individual who had been partially funded by NEH funds, and our Education Department now reaches 50,000 students, and an estimated indirect impact on some 400,000 young people annually.

In summary, the NEH grant has in effect seen a doubling of the society's budget and an extraordinary expansion of services, and considering inflationary adjustment, the expansion has been made in the most cost-effective manner possible.

Now, may I move from the general to the specific? I would like to review specific grants and their impact upon society. From 1979 through 1982 we received an NEH research grant. This was to our library, and it was to catalog our pamphlets. We had some 3,000 uncataloged pamphlets in our collections. The grant enabled us to catalog them all. In fact, we found that 300 were declared rare. They have also been preserved and where necessary; they were restored.

There are few people that realize what their value may be, that is, pamphlets, in terms of research, social and economic history and many different areas.

I went up to the library yesterday and said to the librarian, "Do you have a colorful pamphlet I could take down to Washington with me?"

She gave me this one which is the, I am sure you will recognize it, it is the Campbell Soup Company's, one of their first pamphlets, obviously promoting soup.

It is wonderful in many ways. I will not bore you with aspects of the social history, and the dimensions it has. I particularly enjoyed an informal dinner served with just one maid.

Mr. YATES. Eating or serving?

Mrs. HULL. In 1979 we received from NEH youth programs a grant for National History Day. It was dredged from the National History Day which has been receiving major funds from NEH youth programs. We received a grant of $5,000 in 1979, one in 1980 of $2,500, and generated another $2,500 in gifts which were matched by $2,500 in Federal funds and we received another one in 1981 in the amount of $2,000.

In those years more than 5,000 young people have written essays, made models, created dramatic presentations, all of which encourage them to know more about the humanities and the world in which they live.

You may be already familiar with what is produced by the National History Day, I think for youth throughout the State.

Mr. YATES. It is adapted for each state. It includes the essays of the winners last year who competed here in Washington. Well, it is a publication of their essays, a wonderful thing for young people, and in our case, with relatively little funding.

We have received from NEH in 1980 a planning grant for Adopt a Building, and as a result of that planning grant of just $2,500, we were able to receive another grant from the U.S. Department of the Interior, the State Office of Cultural and Environmental Services funded at another level nationally for $15,000.

As a result of this $15,000, we have implemented this year a statewide youth preservation program, and this is a youth preservation program. We are calling it Adopt a Building. There are all sorts of informational, instructional and inspirational materials in here.

If our Director of Education was here, he would be a very good promoter, knowing something about young people and all people, he would insist on presenting you with a T-shirt that says, "Adopt a Building."

We have reached a large group of people with these funds, and we are the only statewide youth preservation program, that we know of at least, in the Nation.

Mr. YATES. In 1981, last year, we received a pilot grant from NEH, $5,000. This program has created a program called, A Step In Time. Actually it is a step back in time.

We have created a program with a historic village in New Jersey in which 30 young people will spend a week living in the village serving as apprentices to crafts demonstrators and to historical interpreters.

The week will culminate with some 1,000 or more parents and other youth coming for State Day in History at this village. This again is as a result of a $5,000 planning grant.

In the New Jersey State Committee for the Humanities we have also received grants. We received a grant in the amount of $30,000 which was matched by $35,000 for a proposal called the Germans of New Jersey, a traveling exhibit. What we did, Mr. Chairman, is capitalize on a major museum exhibition that we had made which was part of our ongoing effort, and with the aid of this grant, we were able to put the Germans on the road.

Last year which was the first year it was on the road, it was visited by an estimated 50,000 people, and as a result of a small grant this year which is in the amount of $6,982, the Germans will go back on the road.

This is the catalog for the exhibit, and we, of course, are extremely thrilled about being able to reach out into the State with this traveling German exhibit.

Finally, from the New Jersey Committee for the Humanities, we have received a grant in 1980 which was really for the preparation of a manuscript for a publication and another $7,000 in 1981 which will be for publication, and both of these were matched, one by $4,000 again, and one by $11,000.

The publication will be the Journal of Joseph Bloomfield who was a Revolutionary War officer.

He participated in a number of campaigns. He was an educated individual who brought more to a journal than some of the extant journals have. He had insights into not only the military but into the ambience of that critical period in American history.

I would not, and you would not expect me to, bring the original manuscript of the journal here with me today.

Mr. YATES. Why not?

Mrs. HULL. Because it is unique. It is not rather unique or almost unique, but it is unique, and no matter what way I travel, there are no guarantees.

I do have a page, and I am not going to read the page, but I——

Mr. YATES. Okay, we will read it later.

Mrs. HULL. May I just say that when you start off, "A day with our surgeon being absent, bled myself this morning, and took a dose of salts, very sick a.m., p.m. much better." It gives you some insight into life on the part of a Revolutionary War soldier.

I have given you a relatively brief description of the impact of our receiving NEH grants. May I very quickly go through the results if we did not receive them, our projection as to what would have happened.

The planning grant, if we had not received our planning, we would probably have lost the challenge grants, $306,000 in new funds. If we had not received the challenge grant, I am talking about the difference in the budget between the current budget and the proposed budget and the percentage reduction and the impact that that will have on us.

If we had not received the challenge grant, we would have lost $57,750. If we had not received the grant to catalog our pamphlets, there would have been a cut, but the probable result would be that we would not have added a full-time employee to our staff.

If we had not received the National History Day grants, almost certainly we would not have participated in the program.

I realize that $5,000 and $2,000 are very marginal amounts, but they are actually critical to a societey with a modest budget such as ours, as to when we can assume, when we can stretch our staff, well, we can always stretch our staff, but you cannot assume publication and major out-of-pocket costs without grants such as this.

With the Adopt a Building, we would not have participated in the program. The Germans in America, if we had received a reduced grant, almost certainly we would not have put the Germans on the road, because 80 percent of the grant was used to build the exhibit.

I can address myself, if you want me to, to the question of public funds and its impact.

Mr. YATES. You have already.

Mrs. HULL. I will stop.

Mr. YATES. Okay. Thank you.

[The statement of Joan Hull follows:]

TESTIMONY OF
JOAN C. HULL,
EXECUTIVE DIRECTOR AND PRESIDENT
THE NEW JERSEY HISTORICAL SOCIETY

Before the
Subcommittee on the Interior
Department and Related Agencies

Committee on Appropriations
U.S. House of Representatives

May 7, 1982

Although there is no single prototype historical institution, an examination of a specific organization certainly can provide insights into the impact of NEH programs on the full range of so-called "grassroots" organizations.

The Society is a private, not-for-profit institution, founded in 1845, and is in its 137th year of operation. It has 3,400 adult members and 1,900 youth members. Its services include a library with more than 60,000 volumes and 900,000 manuscript items; a museum with decorative, fine, and functional collections; an education department and a publications department. The value of the Society's collections is assessed at eight million dollars, and the replacement value of its four-story building at twelve million. It is the largest and oldest historical organization in the state, but certainly not in the nation; in fact, it would be dwarfed by some historical societies in other states that are state agencies. Approximately, 88 percent of its operating budget is drawn from private sources; 12 percent from state aid.

In short, the Society is a progressive, medium-sized organization with a modest budget. Its mission is to collect, conserve, and interpret. Its collections are basic to the culture and quality of life in New Jersey.

It will become obvious in my testimony, I believe, that NEH grants helped provide the impetus for the Society to dramatically change its course by expanding its role and services and increasing the preservation and accessibility of its collections. I most respectfully urge the distinguished members of this committee to maintain the 1982 level of funding for NEH programs and to entertain the idea of restoring it to the prior level, which still would be a decrease considering inflationary adjustments.

The New Jersey Historical Society received its first major infusion of Federal funds in 1977 when it was awarded a Planning Grant for Self Study in the amount of $49,050 which was matched by $12,000. In 1979 it received a Challenge Grant of $75,000 which was matched by $231,000 by October, 1981, well before the June, 1982 deadline.

Administration

In 1977, the Society's budget was $386,000, and it employed 16 full-time staff members. Today, the Society's budget is $650,000, and there are 27 full-time employees. Added services and greater security for the collections can be directly and indirectly attributable to NEH and other federal grants.

Library

Users of the library's collection have increased by 100 percent. A staff member formerly supported by a NEH grant has been permanently employed to improve collection security and reference services.

Museum

In the museum, a staff member, formerly supported by a NEH grant, has been permanently added to complete the cataloguing and other collection processing. As a result, the Society is now prepared to apply for AAM accreditation.

Publications A totally new department, publications, has been an added Society service and is now producing books, both of scholarly and popular appeal. This is in addition to the ongoing, but expanded periodicals operations.

Education The education department has added another professional to its staff, again a person who had formerly been partially funded by a grant. Now, through student programs, teacher training, and classroom publications, it annually reaches some 50,000 students directly and an estimated 400,000 young people indirectly.

In fact, there has been an accelerated tempo in all areas of operation: increases in research requests and professional consultation; more registrants at conferences; and a substantial growth in membership -- 23 percent in 1981.

Summary In summary, the first NEH grant has, in effect, "seeded" a doubling of the Society's budget and an extraordinary expansion of services. And, considering inflationary adjustments, the expansion has been made in the most cost effective manner possible.

Moving from the general to the specific, I would like to review the direct impact of NEH grants received by The New Jersey Historical Society. In addition to the Planning and Challenge grants which provided such a forward impetus, the Society received major funding for the following projects. Based on the budget figures available, the decreased funding in the proposed 1983 budget must be translated into the impact it would have had on each grant.

NEH
Research
Grant

1979-82 Project to Catalog Unprocessed Materials in the Library
Amount: $45,000 Match: $32,000

In major libraries, pamphlets are one of the rarest components of in-print collections, because their current and transitory nature almost insures that they would have been discarded soon after publication. Yet, they are one of the most important resources for historical research. Because of financial limitations, some 3,000 pamphlets in the Society's library were uncatalogued and almost totally unavailable for researchers. The grant enabled the Society to catalog 3,000 pamphlet titles, of which 300 were designated as rare. In addition, when necessary, they were restored, and all were processed to insure their archival preservation. A vital but endangered research collection was conserved and made accessible.

IMPACT:

The proposed 17% cut would have meant a decrease in grant support of $6,800. But the probable result would have been the non-hiring of one full-time employee, and as many as 1,000 items would not have been catalogued.

NEH
Youth
Programs

National History Day
1979 Amount: $5,000
1980 Amount: $2,500; in addition, $2,500 in gifts were matched by $2,500 in federal funds
1981 Amount: $2,000

The purpose of this nationwide program is to establish and coordinate a statewide effort to encourage young people in grades 6-12 to develop historical projects based on humanistic themes. More than 5,000 youths wrote essays, made models, presented dramatic vignettes, and, finally, competed nationally for honors, all while gaining new insights into the past's impact on the present.

IMPACT: The proposed 37% cut would have meant a decrease of almost $3,000 in federal and matching funds in 1980 and 1981 alone. This marginal amount actually was critical to the decision about assuming responsibility for the project. It is doubtful that the Society would have participated, thereby depriving hundreds of children of the opportunity to join this exciting competition.

NEH Planning Grant

1980 Adopt a Building
Youth Projects
Amount: $2,500 from Youth Projects

As a result of the planning project, the Society then received an implementation grant in the amount of $15,000 from U.S. Department of the Interior, State Office of Cultural and Environmental Services in 1981. In its first year, more than 700 students have had an intensive personal experience in identifying buildings in their community which played an important role in local history. They gained vital new insights in the humanities by interviewing citizens, researching records, and writing and photographing their "built environment," and then enriching their communities by presenting their research in public programs. This is the first statewide historical preservation effort for youth in the nation.

IMPACT: The proposed 37% cut would have meant the termination of the planning process, eliminating the possibility of an additional $15,000 grant that would later be secured from a third party.

NEH
Pilot
Grant

1981 A Step in Time
Youth Projects
Amount: $5,000

The pilot program has been developed in the current school year and will be completed in July when 30 students, selected from a statewide competition, will experience a living history institute with a week-long apprenticeship to artisans in an early American village. The institute concludes with a youth day where more than 1,000 young visitors will receive crafts and historical interpretations by the students who "stepped back in time."

IMPACT: The proposed 37% cut would have meant a decrease in grant support of $1,850. Again these seemingly marginal amounts are critical, and the probable result would have been the cancellation of the project.

NJCH
Traveling
Exhibit

1981 The Germans of New Jersey, A Traveling Exhibit
Amount: $30,000 Match: $35,000
1982 The Germans of New Jersey, A Traveling Exhibit
Amount: $6,982 Match: 11,040

Capitalizing on the extensive research and final mounting in the museum of a major exhibit on the Germans of New Jersey (part of the Society's ethnic series, an outgrowth of an NEH $4,000 planning grant in 1977), a traveling exhibit was prepared by selecting prime artifacts, artwork, and documents illustrating humanistic themes in German culture in New Jersey. A highly attractive, educational and portable exhibit, including an audio-visual component, was designed and built. Accompanying the exhibit were a series of public programs where humanists and scholars stimulated thought on the nature of America's ethnicity. The "German" exhibit was placed at nine sites in the state and within one year attracted an estimated audience of 50,000 people. The additional grant will enable the exhibit to go "on the road" to nine new sites that were selected from many requests for the lively and informative exhibit.

IMPACT:

The proposed 35% cut would have meant a decrease in grant support of $10,710. But the probable result would have been the total cancellation of the project, as 80% of the grant supported the design and fabrication of the traveling exhibit.

NJCH Publications Grant

1980 Citizen Soldier: The Revolutionary War Papers of Joseph Bloomfield (preparation)
Amount: $4,720 Match: $4,720
1981 Citizen Soldier: The Revolutionary War Papers of Joseph Bloomfield (publication)
Amount: $7,000 Match: $11,120
Gift: $ 2,375

These grants support the publication of Joseph Bloomfield's war papers. Bloomfield was a Revolutionary War officer who served in the Continental Army from 1776 to 1778. His journals provide rare insights into military life and the campaigns at Brandywine, the Mohawk Valley and Fort Ticonderoga, and the Battle of Monmouth. The importance of the project is twofold. It provides both the academic scholar and the general reader access to firsthand documentation of the Revolutionary War period. It also preserves the original rare documents from deterioration as a result of handling by researchers.

IMPACT:

The proposed 35% cut would have meant a decrease in grant support of $3,399. But the probable result would have been the certain cancellation of the project.

Private Funds

The question of whether a decrease in public funds will be met by an increase in gifts from the private sector should be addressed. The Society's record of contributions to the operating budget can again be used as a barometer. In 1980, gifts from corporations, foundations, and individuals amounted to $200,000. In 1981, as the economy faltered, this dropped to $88,000, and the 1982 budget projects only $52,000. This demonstrable drop supports the contention that corporate and private donations only increase in good economic conditions and not because there is an increased need.

As a corollary to this statement, it should be pointed out that NEH grants have initiated important humanistic projects that would not attract funding from other sources. To illustrate, the Society sought $5,000 in new gifts to meet an extraordinary budget authorization to help defray the costs of the traveling German exhibit the Society directed an appeal to New Jersey firms with a strong German affiliation. Out of the $5,000 needed, only, $1,185 was received.

On the more positive side, increased Society activities, due in part to the Challenge and other NEH grants, generated new programs and services that raised membership dues from $66,000 in 1979 to a projected $100,000 in 1982. But there still remains a net loss of $108,000 in gifts from the private sector.

I thank you for the opportunity to discuss the impact that NEH has had on historical organizations and the deep concern generated by further cuts in the 1982 budget in the proposed 1983 budget. I again urge this committee to at least maintain the current level of funding and consider the very tangible results that increased funding would produce.

Joan C. Hull
Executive Director
and President

The New Jersey Historical Society
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Mr. YATES. Mr. Munoz.

Mr. MUNOZ. It is a great pleasure to be here, and I would like to offer you my respect for your patience. You should be a psychologist.

Mr. YATES. I am.

Mr. MUNOZ. Then I will give you my problems.

My name is German Munoz. I was born in Cuba. I was shipped out of Cuba and sent to America by my parents when they found out I was going to be shipped to Rumania to go to school to become a good communist.

So, I came to this country and came under the influence of the Jesuits. I don't know which are meaner. I am still trying to find out. I am the Department Chairman of Social Sciences of Miami-Dade Community College and Director of the Collegium, Inc., a multi-ethnic, multi-cultural and nonprofit public interest group in south Florida.

I thank you for giving me a chance to be here and express my concern for the reductions in the funding for NEH.

I am a Republican, and I voted for Ronald Reagan in 1980, and I believe, it is hard to balance a budget.

Mr. YATES. You ought to go back to the Jesuits again.

Mr. MUNOZ. I believe a balanced budget is desired, justifiable in the short future. However, I think that there comes a time when you have to determine whether a 36 or 50 percent decrease in allocation to an institution becomes a rational cut or a mutilation; and this is one of the choices that the Congress will have to make on this.

I tend to think it is a decapitation, okay.

Mr. YATES. Well, that is what they call it, decapitation grants.

Mr. MUNOZ. I think that the reduction in funding for the NEH is simply at this point in time too drastic, not rational, and I think it lacks common sense. Others before me have spoken about the implications of the cuts. I don't want to get into it.

Mr. YATES. Okay.

Mr. MUNOZ. There is going to be a reduction in money for books, periodicals, training for faculty, students. There will be a reduction in funds for innovative materials. There will be a reduction in funds for maintenance of museums, historical societies, and the list is endless.

The implications are monumental. I came to Washington to talk about a different program that I think is being threatened by the Administration, a program which I think should not be threatened at all. I believe that the funding for this type of program should be increased, not lowered, and this is the type of program that is geared to take the humanities to the general population.

I will explain myself. There are certain seminars, symposiums, and they go by different names, which are geared to educate the population on certain policy issues. My definition of the humanities from the Jesuits goes wider than the Administration apparently is handling it.

Mr. YATES. Oh, it has got to.

Mr. MUNOZ. I feel that——

Mr. YATES. No matter how narrow it is, it is wider.

Mr. **Munoz**. Let me give you an example of what I mean. Back in 1979, with the help of Miami-Dade Community College, Broward Community College, and Florida International University, we managed to get our grant from the Florida Endowment for the Humanities.

It was called, "What is the Impact of Immigration on the Lives of People in South Florida?" I am sure you heard about the Mariel exodus from Cuba.

Mr. **Yates**. Yes.

Mr. **Munoz**. We got 150,000 Cubans in a 2-month period. Through this type of grant, we were able to bring the community in Dade County together, and I am talking about professional humanists, administrators, faculty, students, politicians, you name it, philosophers, and we spent 4 weeks, Wednesday nights, because we wanted to make sure the population could handle the people. We are not ready for Mariel.

No way any community in this country can be ready for 150,000 Cubans and 40,000 Haitians in 2 months, no way. The money that we got from this endowment was, it was instrumental in creating for the first time in Miami the forum where we could consolidate diverse views and ways of solving the problem.

As far as I am concerned, a forum on public issues has three purposes: One, to inform. You want to give skills, information, technical information on how problems can be solved.

The second step is a location which is when you go from teaching, start talking about values and you start saying well, this policy has certain implications that are human, and then you start talking about the values are implicit in certain alternatives.

I am in the old school of thinking that politics is a bunch of ethics. Whenever you pursue an end, you are involved in some moral determination, and I think that sometimes we are not aware or even reflective about the things that we are doing and the values we are promoting when we make decisions.

The third important thing about a forum of this nature is what they call humanities, which means if you can get people on a forum from different backgrounds, for the first time you are going to get the emotional, as well as intellectual, understanding of what the other guy thinks, or humanities means to be able to place yourself in the shoes of the other guy, so a forum that is financed to educate a population on certain public issues has to bring out the humanitarian among us.

When they are professional or those among us, they are in different shoes. If there is a program that is able to locate, instruct and reflect on issues is cut, it is eventually going to ruin the country, if this program is cut.

A society gets more complex and interest gets more intensely involved in the political system, and as you get a situation where the discussion is more heated, you have to go at some point in time, you got to finance the efforts of society to reflect the values being pushed on people.

The humanities, if they are for the task and achieve certain excellence, can be a hell of an instrumental factor in allowing us to reflect more of ourselves.

One of the things that the Romans called Civitas also referred to the fact we had to learn how to restrain ourselves, when you get different people in the forum, you will see the old lady has children too, the same type of needs that anybody has in a community, in a society.

I give you another example where a forum like this is very important. We have a problem right now. It is coming. They are fighting over a stadium. They want to build $150 million stadium that is going to be football, baseball, convention centers.

Well, I think that the time is proper to have a forum financed by the NEH, whatever, to find out what are we talking about when we say in the middle of the recession, we are going to raise the tax to build a stadium. You got to bring values in here as opposed to what, housing, as opposed to transportation, as opposed to what?

The humanists, if he or she lives up to the task, can play a tremendous role in clarifying some of the political alternatives that we have.

I personally don't think that the stadium is proper. If they want to take the Miami Dolphins out of Miami, fine, we got other things to be considered. A humanist should be a person who is willing to promote the physical, spiritual, psychological needs of a human being. The humanist should be an action person, and we have seen how people are involved in different areas. Politics is nothing but a branch of ethics, and unless you have people who are able to reflect on options, you are going nowhere.

Mr. YATES. That is what Daniel O'Connell said, "Nothing is politically right which is morally wrong."

I think that is what you are saying.

Mr. MUNOZ. From my viewpoint, I would hate to find the budget for these types of programs diminished.

Mr. YATES. You should have talked to Mr. Stockman, told him how you supported Reagan, and look what he is doing to you.

Mr. MUNOZ. You make decisions on a holistic basis.

Mr. YATES. Right.

Mr. MUNOZ. I tell you one thing, my vote is negotiable.

Mr. YATES. Enough said.

Mr. MUNOZ. If President Reagan could reconsider some of the cuts in education, and if he does not lose the Caribbean to the Russians, I will vote for him in 1980.

Mr. YATES. 1980?

Mr. MUNOZ. 1984.

[The statement of German Munoz follows:]

MIAMI-DADE COMMUNITY COLLEGE / New World Center Campus, 300 N E Second Avenue, Miami, Florida 33132

Statement of

German Munoz, PH.D

Chairman, Department of Social Sciences

Miami-Dade Community College

Miami Florida

Subcommittee of the Department of the Interior and

Related Agancies

May 7, 1982

Mr. Chairman; members of the Appropriations Sub-Committee on the Department of the Interior and Related Agencies, ladies and gentlemen:

My name is German Munoz. I was born in Santiago de Cuba, Cuba. I was sent to America on April 25, 1962, when my family was informed about the desire of the Cuban Government to send me to school in Rumania so that I could be a militant communist. I have instead obtained my formal education in this country where I have earned an M.A. in International Studies and a PH.D in Latin American and Political History. I am the Chairman of the Department of Social Sciences at Miami-Dade Community College, which, as you know, is one of the leading and most innovative colleges in the country. At Miami-Dade, I teach Government, Political Philosophy, Social Sciences, and International Relations. I am also the Director of The Collegium, Inc., a multi-ethnic, multi-cultural, and multi-generational non-profit corporation in South Florida whose objective is the promotion of the public interest. My main hobby consists of the publication of a public issues-oriented magazine titled The New World Review.

I became an American citizen in 1976 and registered as a Republican. In 1980 I voted for Ronald Reagan for the Presidency of the United States.

I want to thank you for the opportunity to testify before this committee and express my concern over the proposed federal cuts in the budget of the National Endowment for the Humanities. The desire to balance the federal budget in the short future is justified. This conduct, after all, is a sign of integrity. But this process should be guided by a spirit of national responsibility, equity, and common sense. What many people question, and eventually you must determine, is at what point is a cutback a rational and wise reduction, as opposed to an impulsive, drastic and ideological decapitation. Is a 37% reduction in funding for the NEH since 1981 an adjustment or a decapitation? You must decide.

Other speakers before me have already testified, and very eloquently, about the negative consequences that the budget reductions will have on the effectiveness of the NEH and the quality of life in America: diminished resources for the training of teachers; decline in funding for educational research; potential disappearance of magazines and educational periodicals; drop in fellowship support; reduction in innovative materials for public schools and colleges; inferior maintenance of historical societies, libraries and museums. The list is endless. The implications are enormous.

But I did not come to Washington to speak about the reduction or elimination of these programs. Others have already addressed these issues. I want to concentrate your attention on another type of program funded by the National Endowment for the Humanities whose existence is now being threatened though its function is essential to the well-being of the republic. I am referring to the seminars, forums and symposiums which are designed to enhance among the general population a better understanding of public issues. The issues discussed at these events range from matters of taxation, immigration, and nuclear energy to questions of public spending and many other topics.

A concrete example will illustrate why funding of this type of program on public issues is of such importance. In 1979 I was able to obtain under the leadership of Miami-Dade Community College, Florida International University, and Broward Community College, a grant from the Florida Endowment for the Humanites. It was titled, What is the Impact of Immigration on the Lives of People in South Florida? It preceded by one year the Mariel and Haitian exodus. The conferences were presented on four consecutive Wednesdays. Each seminar addressed a particular aspect of immigration. The forum brought together professional humanists, government authorities, educators, administrators, entrepreneurs, faculty, students, community leaders and many citizens. Because of this FEH grant our community was able to start reflecting on the many legal, economic, political and social difficulties which immigrants naturally bring to a community. But the leadership and the general population attained much intellectual and emotional maturity in that they also began to visualize the many opportunities which immigrants also tend to bring to an area. They began to see the many options, the many values, the priorities which a community has at its disposal They began to be aware of the many options from which to choose, the freedom implicit in policy making.

Miami as a community was not ready in 1980 to host over 160,000 refugees. But what area is ready for an exodus of this magnitude? What is important is that Miami has survived it and a partial reason for its success is the strength, the wisdom and the solidarity which develops as a community faces a previously unforeseen threat. Forums such as this one funded by the FEH were responsible for consolidating the diversity of views and assets of the Miami Community.

There are those who might argue that the public could have access to information through newspaper books, magazines, television or public hearings at institutions of local government or higher education.

But such a position is not valid. Any one experienced about the nature of these media of communications knows they are not sufficient to enlighten the population. Commercial television has embarked on a crusade to distort and sensationalize its relation to almost any reality under its coverage. Public hearings at county commissions have increasingly became circuses where diverse interest direct their respective rowdy combatants to intimidate public officials. Colleges and universities naturally arrange their classes in ways that service distinct subgroups within the general population.

Thus the type of forums on public issues funded by institutions such as the NEH can be extremely helpful in providing the general population with the knowledge necessary for making the intelligent decisions required in a representative democracy. And it is in these conferences where the humanist can contribute greatly to society. Thosepublic forums do not only serve to provide technical information to the population; in addition, the humanists involved in them, if they are up to the task, can clarify the values which are implicit in alternative policy choices. Our leaders legislate morality whenever they make policy in pursuance of special ends. So as society becomes more intricate and public policy more heatedly debated, there is an increasing need for society to clarify the values intrinsic to the available choices. But this is not all. If our society is to attain what the Romans called civitas, that is a sense of self-restraint in the pursuance of special interest, our social order must inform the population about the different needs of all the people. This is the essence of humanitas, the ability to place oneself in the position of the important "others".

Yes, Mr. Chairman, members of the committee, if you were to reduce spending on this type of program, you will be reducing the possibilities of the American people to be better informed about public issues, to be more judicious and conscious about the values being promoted through public policy, and to be more aware about the implication of policies on other groups.

The Government of the United States made a commitment in the 1960's to widen the doors of opportunities for all its people. This occurred in the areas of housing, voting, and education. Now you have another choice. You either uplift the education possibilities for the American people so that we can continue to be a great people or you bring our social values to the level of the masses. You cannot spend all of our resources on this educational challenge. There are other values, other priorities. But you must determine at what level of funding would America be simply giving up on itself and at what level of funding can it do the job of enhancing the quality of life of its people. The choice is yours.

Mr. **Yates**. Okay.

Mr. Brown, you are from Chicago?

Mr. **Brown**. I must say we hold our heads very high in humanities circle when we talk about our Congressman.

Mr. **Yates**. Thank you. -

Mr. **Brown**. I am a historian, and I am Director of Research and Education at the Newberry Library. I am Chairman-Elect of the Illinois Humanities Council and a member of the Board of Consultants of the National Endowment.

In these various capacities, I devote, I would guess, between a quarter and a third of my time in contact with various National Endowment programs, and I have seen the Endowment bring vitality to the humanities and humanities institutions and seen it make possible new programs that are enriching the fabric of American life, and I come as a biased witness in this type of consideration.

The Newberry sees the humanities almost through a kalidoscope. We have great humanities resources, almost a microcosm of the words which the Endowments deal with. We have distinguished scholars from around the world carving out new knowledge as part of a community of fellows that has been vastly enriched by a NEH fellowship program, a program which I would note, if the proposed budget were to pass would be cut from a million dollars funding a year to $300,000.

We have many research projects that are funded with National Endowment funds throwing new light on various subjects ranging from the history of the Iroquois to Renaissance literature, and these various research projects are enriching the Nation's scholarly resources with atlases, bibliographies, archival resources. Most of those projects would be impossible for us to understand without funding from the Endowment.

We have summer institutes funded, each of them in part with Endowment funds, training teachers at the college and high school levels. We have one field, the history of the American Indian, American cartography, one in Renaissance studies and Renaissance paleography.

Mr. **Yates**. What is Renaissance paleography?

Mr. **Brown**. The ability to read Renaissance texts that involves both an understanding of language and also of caligraphy. They are virtually impossible to read, even if one knows the Latin.

Mr. **Yates**. That is really a specialty?

Mr. **Brown**. Yes, it is, and it is the kind of specialty for which funding is virtually impossible to get; and yet it is the bedrock of scholarship in the Renaissance, and it is a bedrock, a sensitivity to which is absolutely essential for people who are teaching students in the Renaissance.

Mr. **Yates**. I wonder how the Humanities has a panel to pass upon the worth of one of those projects?

Mr. **Brown**. The panels which pass on these, I am constantly and enormously impressed by them.

Mr. **Yates**. I agree with you.

Mr. **Brown**. We have a number of, we have the lay public involved also in a number of programs at Newberry, and we deal every day with the problem which I am particularly asked to speak about here, and that is the problem of public understanding of the humanities and public involvement with the humanities.

We have in our reading rooms genealogists, many from your district, vie day-by-day with scholarly demographers for the same material, and beginning to learn from those demographers and vice versa.

The genealogists know about a lot of the material and where they are which the demographers are able to learn. In our Center for American Indians, we have distinguished historians and anthropologists and etho-historians working side by side with tribal historians from Indian reservations across the country.

That center is also now undertaking the project which you will be very much interested, a proposed project to develop an oral history of the Chi Indian community, and this involves very much an attempt to link the scholarly resources of Newberry with the community.

We have a community planning board who will be not only selecting the people to be interviewed, but from whom the interviewers will come.

We will train the interviewers at the Newberry with our staff which includes some highly experienced and oral historians.

Mr. YATES. Is the oral history to be recorded at all?

Mr. BROWN. The oral history will be recorded on tape, and out of this will come the development of a tape-indexed——

Mr. YATES. So you have a permanent record?

Mr. BROWN. That is right, and this is a community which, as you know, has grown with enormous rapidity in the last 20 to 30 years, has no sense whatever of its own history, and 50 percent of the Indians in America now are living in urban communities with no sense of how they got there, and thus, no ability to make the kinds of decisions that some sense of their past requires.

This kind of kaleidoscopic view of the riches and potential use of the humanities that one gets at a place like the Newberry enhances enormously one's sense of the accomplishments of the State-based programs in finding imaginative ways to bring the humanities out of the academy and to the public to the benefit of both.

In my judgment the quality and diversity of the projects funded by these State humanities councils is enormous and growing. The councils have attracted a very large public following, and they have stimulated a very fruitful and productive controversy about the nature of the humanities and about their use in novel settings. They represent a new approach to the uses of humanities, and there organization into programs with wide public appeal as well as to the relations of professional humanists with the public and of their disciplines of public affairs.

I might mention three projects that the Illinois Humanities Council has sponsored. Three projects that the Illinois Humanities Council is, I think, justly proud of and which illustrate the links that the State councils are making possible between professional scholarship and between the kinds of pure scholarship that goes on in the Academy and at places like the Newberry and the general public.

One of these, and a project known as the Chicago Metro History Fair, is a project that grows out of the steadily increasing interest on the part of historians in the history of families and the history of communities. It goes specifically in the case of the Chicago Metro History Fair out of the work of historians at the Newberry Library and at the University of Illinois-Chicago.

It is modeled on science fairs around the country. It generates enormous numbers of projects on the part of secondary school students. Altogether this year, there are some 3,500 students working throughout Chicago and in the Chicago area on these projects competing in regional fairs, and then in a final fair which will take place in 2 weeks for awards of various kinds.

The project not only involves these 3,500 students, but is transforming the curriculums in 135 schools throughout the area generating new approaches to the teaching of history by teachers who are involved and to whom the students come back excitedly wanting more of the kind of work that they do with the History Fair.

It is also affecting the lives of hundreds if not thousands of adults, not only the parents of the students but the people in the community to whom the students are going to find out about the history. This is of churches, of educational institutions, of corporations, of neighborhoods.

Also we have a number of institutions in the districts, the regional branches of the Chicago Public Library, for example, which are much involved.

The results of this have been enormous both in terms of impact on curriculum, in terms of the excitement that it produces for the students that are now over 12 and 15,000 students now who have been touched by these projects in the last 4 years; and you may have seen a five-column headline in a major article in the Tribune just a week ago, "Digging for City's Roots Ignites Passion for the Past".

It was a marvelous article and reflected much of the excitement of this project.

A second project that the Illinois Humanities Council is sponsoring is taking place in the steel mill neighborhoods of southeastern Chicago. This is a project also focusing on community history and drawing both on the community and on scholars from outside, one of the staff members is a scholar, that the project cooperated with our blessing from the Newberry staff.

That project is creating exhibits, photographic exhibits of the history of the southeast Chicago, which move about the district and are preceded by a film, and it holds workshops for residents throughout the area, both in doing of oral history and in photographic techniques to make it possible for them to graph evidence of their own history.

It also is encouraging through community organizations the collecting of archives on the history of the neighborhoods that are involved, and it is sponsoring a series in the weekly community newspaper which has a readership of some 100,000 people in those neighborhoods.

The project brings history home in those neighborhoods by capitalizing on the wealth of material in urban neighborhoods, and we think it is having great impact.

In the service of the humanities, the various ethnic groups in those neighborhoods with very little in common, Serbians, Mexicans, blacks, are discovering that history that both constructs and binds.

This is the last example I will use, a small community in southeastern Illinois, an entirely different sort of community, is similarly profiting from a project we sponsor in community history. The little Town of Pomona in southern Illinois is a community which had several thousand citizens and seven schools in the early 20th century, and by the 1970's was down to a few hundred citizens and no schools, no institutional source, no continuing institutional source of cultural encounter.

In the 1970's that community was beginning to feel the stresses and strains of new residents moving back to beautiful and available land, and sharing a community with people who have lived for many years in that area but with little else in common.

There the council sponsored a very modest project 3 years ago that produced a series of forums on the history and culture of the community and of neighboring communities bringing in historians from Southeastern Illinois University and from other institutions in the neighborhood and bringing in, also, knowledgeable people from the community.

Out of that, out of those have come a project to collect the oral history of the community from the elders. The resources now being established in the town library and in repositories of neighboring colleges and universities in the area, it is about to lead to the publication of a book on the history of the town. And the worth of this history project, a very modest one as I say, has produced very great intellectual and social satisfaction and has brought together new neighbors with some sense of the past of that community.

Projects like these in history and many hundreds more in other fields in the humanities would be in my judgment an endangered species if Congress were to accept the proposed reduction in the President's budget. The Illinois Humanities Council as I am sure you are aware, sir, like those in other heavily populated States, would be especially hard hit. If in fact the proposed budget of the President were passed, our budget a year hence would be less than 1.5 of what our budget was a year ago.

In my judgment and in the judgment of others, most of the rest of the people on our council would raise serious questions as to whether we could or should carry on at all.

I share Mrs. Peterson's thought that it would be a very difficult situation and whether it would be worth doing to be able to spend in a State the size of Illinois something like $150,000 or $200,000 is—the answer is an almost obvious one.

To have to make these cuts even if we could make them, would jeopardize the very rich links the council is beginning to produce between the humanitists and the lay public. They would suffocate, threaten to in any event, in their infancy these programs that are enriching the culture of the State and the lives of thousands of people.

The evidence I might say, moreover from both my experience at the Newberry and in the Illinois Humanities Council is that private funding simply cannot possibly make up for such losses as are proposed. The fact of the matter is demonstrated time and again by our experience, that it is the pubilc funding, the National Endowments funding which allows us all—institutions like the Newberry and the State councils—to generate private funding, and we are doing, I think, a very good job of doing that.

But without the constant aid of challenge grants, matching grants and available funds even for modest projects that comes from the Endowment, I think that we would have to hang our harps on a tree.

I, therefore, and my colleagues in the Illinois Humanities Council would urge to continue the good fight, to let the Endowment continue to carry on this vitally important work, at least at the appropriations level at present.

Mr. YATES. Mr. Chairman, Mr. Brown.

We thank you, panel, very much.

[The statement of Richard Brown follows:]

TESTIMONY OF RICHARD H. BROWN
DIRECTOR OF RESEARCH AND EDUCATION, NEWBERRY LIBRARY
AND
CHAIR-ELECT, ILLINOIS HUMANITIES COUNCIL
BEFORE THE
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES
OF THE
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES

May 7, 1982

My name is Richard H. Brown. I am Director of Research and Education at the Newberry Library in Chicago, a professional historian by training, and Chairman-Elect of the Illinois Humanities Council. I am also a member of NEH's National Board of Consultants. In these various capacities I spend perhaps one-quarter of my working hours--some paid by the Newberry Library, others as an unpaid private citizen--in direct contact with a wide variety of Endowment programs. I have seen the Endowment bring new vitality to the humanities and to humanities institutions, and I have seen it initiate bold new programs that, through the humanities, are enriching the fabric of American life.

At the Newberry one sees the humanities as through a kaleidoscope. One of the great humanities resources in America, the Library is an inherently neutral institution that makes its great resources of collections and staff available in the service of the humanities, both to the academic world and to the general public, both nationally and locally. The National Endowment for the Humanities makes it possible for us to do this in a wide variety of ways. Distinguished research scholars carve out new knowledge as part of a community of fellows that has been greatly enriched by NEH fellowship programs. Research projects, some funded by NEH, are throwing new light on topics ranging from the history of the Iroquois to Renaissance literature, enabling us to enrich the nation's scholarly resources with atlases, catalogues, data files, archival resources. Summer institutes and other programs--also with NEH funding--train college and secondary school teachers in the new social history, the history of cartography, and in Renaissance paleography, to name but a few examples. In our Center for the History of the American Indian distinguished scholars work side by side with tribal historians from Indian reservations across the country, learning from each other; in our reading rooms genealogists pursuing their roots scrap with scholarly demographers (sometimes almost literally) for the same material.

Such a kaleidoscopic view of the riches and potential uses of the humanities enhances beyond measure one's sense of the accomplishments of the state-based programs in finding imaginative ways to bring the humanities out of the academy and to the public--to the advantage of both. The progress of the state councils in this is well known in the Congress, attested by the decision in 1976 to guarantee the councils at least twenty percent of the NEH budget. As funding for NEH grew subsequently so also did the Endowment's grants to the state councils--which in the meantime were becoming ardent and in many cases highly successful local fund raisers. The quality and diversity of projects funded by the state humanities councils have attracted a large public following, and have stimulated fruitful and productive controversy about the nature of the humanities and their use in novel settings. The NEH state programs represent a new approach to the uses of the humanities--their organization into programs with wide public appeal--as well as to the relations of professional humanists with the public and of their disciplines with public affairs.

If the Congress approves the FY 1983 NEH budget of $96 million proposed by the President and the Office of Management and Budget, the activities of all state councils will be sharply reduced, their hard-won acceptance by the public jeopardized, their volunteer boards and thousands of participating scholars left stranded only barely out of the starting gate of an important educational experiment. The President's own Task Force on the Arts and Humanities found the state councils (and all other NEH programs) to be in the public interest. It acknowledged the need to keep the NEH appropriation high enough to enable it to carry out its legislated mandate, even while it urged more private financial support of the humanities. Task Force members found themselves in essential agreement with state council members who observe in the conduct of these programs the delicate balance of public and private sector initiatives which has made the humanities a more forceful and visible presence in American life than they have ever been before. Federal support has made the difference, a demonstration to American citizens and scholars that the Congress endorses the idea that living and learning should be interwoven in our country.

The cuts to NEH proposed by the President threaten both the excellence of and our enormous equity in the work of the state councils. Let me mention some examples of exceptional history projects in Illinois.

For several years the Illinois Humanities Council has supported the Chicago Metro History Fair, a project that owes its origins to growing interest within the history profession in family and community history, and grew out of the work of scholars at the Newberry and a number of other Chicago area institutions. The Fair has gained frequent national recognition--and emulation--for its exceptional record in providing secondary school students an unparalleled opportunity to appreciate the relevance of history to their lives. Over 3,500 students, their families, and teachers are participating in the program this spring. More than 135 public and private schools in Chicago and its suburbs are served by the teacher training workshops and classroom presentations which are a part of the project. Excellent essays, exhibits, and dramatizations of historical events are honored each year for their originality and vitality, for the quality of their scholarship, and for what they illustrate about what can happen when teenagers get genuinely involved with the humanities. As one Chicago school administrator has put it, the History Fair is helping greatly in "revitalizing the curriculum in our high schools." One student, reflecting the opinion of many, said recently after participating in the Fair, "I look at things differently now . . . the past is exciting." A lengthy article about the project in last week's Chicago Tribune carried the five column headline "Digging for city's roots ignites passion for the past."

While our Council is pleased at the success of the Fair in the schools, we are equally gratified at the impact the program has had--because of very active adult participation in both the preparation and use of the Fair's products--in the community at large. The success of the History Fair also proves the thesis that well-placed Federal support can yield substantial local contributions to the humanities. The Fair enlists annually hundreds of local boosters and dozens of major contributors. It would not be possible without the outright and challenge grants from the Illinois Humanities Council that prime the pump and give it financial stability.

History, in this case of an intensely local and particular kind, is also the subject of an impressive project in the steel mill neighborhoods southeast of Chicago. A small liberal arts college has organized an ambitious project in this region that includes exhibits, workshops for local residents, the collection of community archives, and a series that runs in the local news weekly, read by more than 100,000 people, describing various aspects of the development of these old, ethnic, working class neighborhoods. As with similar projects sponsored by many state councils, this project brings history home by capitalizing on the wealth of material in the neighborhoods of urban America. It returns the local residents' history to them in the form of well organized public activities which give shape and meaning to individuals' lives and to the area's collective past. In the service of the humanities, ethnic groups which often have little in common--Serbians, Mexicans, Blacks, and others--are discovering that history is a force that instructs and binds.

Projects in small towns also illustrate this principle. Like other rural communities whose decline was hastened by the Depression, new transportation technology, and the depletion of natural resources, Pomona, Illinois,(named after the Roman goddess of the orchards) represents several important trends in American history. From 1875 to 1930 Pomona boasted a home for nearly every forty of its hilly acres, a population of several thousand, and seven schoolhouses. By 1978, only a few hundred residents and not one school remained. Older residents who stayed, however, are now witnessing a new growth of population, an influx of people attracted by inexpensive land, beautiful scenery, and privacy. Predictably, relations between old-timers and newcomers have not always been satisfactory. But as in the cases of the students and their parents participating in the Metro History Fair, and the ethnic communities of the steel mill district, the isolated and divided residents of Pomona have found in thoughtful attention to their own history a source of great intellectual and social satisfaction. A series of public forums on Pomona history will culminate soon in the publication of the first history of the community.

One other history project is worth notice because of its timeliness and unusual format. With a grant from the Illinois Council, an organization called Acamedia produced in January a centennial tribute to Franklin D. Roosevelt. Issued in the form of a newspaper supplement, it was distributed in all Sunday editions of the Chicago Sun-Times. Outstanding historians contributed brief but authoritative essays on various aspects of FDR's career. The reaction was splendid. The supplement (and previous ones on the popular historical television dramas Shogun and Masada) proved once again that scholarship in the humanities, organized in an accessible and attractive format, does indeed have a potentially large audience.

The state councils are now the NEH's most comprehensive effort to make the uses of history and other disciplines well known to the public. They share this task, of course, with the Division of Public Programs whose projects are designed primarily to reach regional and national audiences. Museum projects, such as the Treasures of Tutankhamun and Shakespeare, the Globe and the World, and media programs such as the American Short Story and the recent Middletown series are well known and have served wide audiences.

In its support of film and video the NEH provides unique opportunities for academic historians to reach new audiences and to test the potential for film as an instrument for instruction in the humanities. As one said recently, "I knew that in one showing a hundred times more people would see my films than would ever read my book . . . maybe a thousand times as many. For me that meant the possibility of teaching a far greater number of people." At the same time, Endowment funded films provide a format for thoughtful examination of the uses of media in relation to the traditional scholarly and instructional techniques of the humanities. "The idea is not just to teach history," says another historian/filmmaker, "but to teach a critical attitude towards film as a representation of history."

The NEH has also sponsored several important radio projects which deserve your attention. Public radio's audience has grown nearly 40% in the past year, so the NEH's initiatives in this medium are especially timely. Last year the National Radio Theater in Chicago produced an impressive dramatization of The Odyssey which was broadcast by over two hundred public radio stations. The NRT was also successful in raising private funds which enabled it to increase its audience and to offer listeners supplementary reading materials. Recent radio projects of similar stature and impact are "First Person America: Voices of the Thirties" and "The Bill of Rights Radio Education Project." This last project, currently being broadcast by over 100 stations, was organized partially in response to a 1980 Gallup poll which revealed that a majority of Americans did not know what was actually in the Bill of Rights. The radio project, with individual programs on censorship, freedom of religion, gun control, and land claims among other topics, mixes historical and philosophical commentaries with accounts of recent events and controversies. I would add that this timely project brings to a national audience many of the themes and techniques of a radio project on civil liberties sponsored as an experiment five years ago by the California Council on the Humanities.

The themes of these three radio projects suggest the range of interests of the Division of Public Programs and its capacity, together with the Division of State Programs, to support projects which combine scholarly vitality, timeliness, and broad public appeal. History, of course, is only one discipline among many which are used every day in public humanities programs funded by state humanities councils. Its centrality to such programs, however, doubtless reflects increasing recognition of a view expressed by Emerson: "The use of history is to give value to the present hour and its duty."

The Congress has recognized the value of the humanities and its own duty to see to it that the NEH and its state programs have the support they need to carry out their legislative mandate and to satisfy strong public interest. The Illinois Humanities Council, like those in other heavily populated states, would be especially hard hit if the President's proposed budget of $96 million for NEH is approved. The funding formula used to make grants to the state councils means that Illinois would have in FY 1983 a good deal less than half of what it had in FY 1981. A cut of these proportions would raise serious questions as to whether the Council could or should carry on at all. It would jeopardize the rich links that are being established between humanities professionals and lay people throughout the state, and threaten to suffocate in their infancy programs that are enriching the culture of the state and the lives of thousands of its citizens, at the very time that they are attracting increasing amounts of private support. I and my colleagues in the state councils urge you to allow the NEH to continue its good work at least at the appropriation levels determined by Congress last year.

FRIDAY, MAY 7, 1982.

NATIONAL ASSOCIATION OF PUBLIC TV STATIONS

WITNESSES

JOHN WALSH, MANAGER, SCRANTON PUBLIC TV (WVIA)

BRUCE CHRISTENSEN, PRESIDENT, NATIONAL ASSOCIATION OF PUBLIC TV STATIONS

Mr. YATES. We have Mr. Walsh of Scranton Public TV.

Your statement will be received in the record.

Mr. CHRISTENSEN. Thank you. I am Bruce Christensen, President of the National Association of Public Television Stations. With me is Mr. John Walsh. If we may, I would like to make a few summary remarks, and introduce Dr. Walsh and let him present his statement, and then I would like to summarize with some facts at the end of that statement.

Mr. YATES. Fine. You may proceed.

Mr. CHRISTENSEN. The Nation's 293 public television stations are charged with delivering public service television which Congress said more than a decade ago should be made available to every American citizen.

Because of support we received from both Endowments since their creation, we have been able to offer an equal opportunity for enlightenment to all Americans. Funds for the Endowments are as important to our future as it was to our past.

A modest growth in support for the Endowments during the last 15 years has generated a dramatic increase in private sector contributions to the arts and humanities. Perhaps more importantly, the combination of Government and corporate support has fostered a flourishing of American creative talent and a renewed American appreciation of our cultural heritage.

We urge you to continue the contributions of the Endowments by preserving an adequate level of Federal support—appropriations of at least the same levels as in fiscal year 1982, $143 million for the Arts and $131.5 million for the Humanities.

The partnership between the Endowments and public television extends back 15 years. Since 1967, over 1,000 public television and radio programs have been funded by the Endowments. The reasons for the partnership are as obvious as they are inevitable. Public television can extend the reach and value of the Endowments' funding because it serves a large audience economically and effectively; creative writers, producers and performers benefit from the exposure to a larger audience as well.

Together, this partnership seeks to preserve and display our cultural heritage; together we hope to nourish the creative promise of our present and future. And together we have shown that the profound can be popular.

I would like to introduce Mr. Walsh. He is the President of the Northeastern Pennsylvania TV Association, and let him talk about some of the specific examples that relate to these programs.

Mr. YATES. Dr. Walsh.

Mr. WALSH. Thank you, Mr. Chairman.

I am delighted to be here to express the importance of funding for the Arts and Humanities. As Bruce said, I am the President and General Manager of WVIA-TV/FM in Scranton, Pennsylvania. We are a medium-sized station viewed by some 51.4 percent of the metro households in our area. That runs about 500,000 people viewing us in a given week according to the latest Neilson Reports.

Our budget approaches $2 million and our staff numbers about 36 full-time employees. As I say, this testimony is offered from the perspective of an individual station, but I think it is based on arguments that have application universally throughout the public broadcasting system.

Specifically, it is offered in support of the proposition that funding for the National Endowment for the Arts and the Humanities should remain at the same level as in fiscal 1982. The Endowments, as you know, have sustained substantial cuts in recent years, and to allow these funds to drop to the levels proposed for fiscal 1982 is, in my view, most unwise.

Though we are not known as a major producing station, WVIA has had direct funding from both Endowments. Even over the past 5 or 6 years, we have received some relatively modest grants which in conjunction with other funds, have enabled us to produce a number of programs of which we are justifiably proud.

Some have gained national prominence, but all have had a regional and local impact. I am including in this group an FM radio ethnic series, "We Are The People", covering the ethnic background of the rich Northeastern Pennsylvania area.

We did a television film on a study of Congress in action called "An Act of Congress" based on the passage of the Clean Air Act.

Currently we are working on a television production based on the life and work of the film pioneer Lyman Howe, who was born in Northeastern Pennsylvania.

As important as these are, I think of greater importance from the perspective of the individual station is that the proposed cuts in Endowment funding could be the knockout blow the stations would have, coupled with the initial blow of cutbacks in funds for the corporation for public broadcasting—the proverbial 1-2 punch if you will.

Our public broadcasting stations depend on the quality of our programming. Any cuts in the National Endowments and consequent loss of their support of national programming could make prohibitive for our budget programs such as "Live at the Metropolitan", "Live From Lincoln Center", "Mark Twain's Life on the Mississippi", "American Playhouse", "Dance in America", "Adams' Chronicles", and many, many others.

Beginning last fall, 500 colleges across the country began offering courses for credit in conjunction with 206 local public television stations, including WVIA. We have been working for example with the University of Scranton, Boonesburg State, Luzerne Community College, all levels.

One of these courses, Humanities Through the Arts, includes 30 programs surveying film, drama, music, literature, painting, sculpture, and architecture, examining each art form from four perspectives: historical content, elements of the art, form and meaning, as well as creation and evaluation.

Another course is based on the exciting dramatization of Shakespear's plays. If you have ever taught drama as I have, you know this is the only way you can really learn it, through the actual dramatization.

Now, not only do WVIA and other public broadcasting stations provide like this in cooperation with the colleges to an adult audience, but in many instances we provide the only cultural exposure for our area. This is particularly true in Northeastern Pennsylvania with its large elderly population, which is not as mobile. Lincoln Center is live not just in New York City, but in the living rooms of homes in Scranton and Wilkes-Barre.

The genius of Mark Twain or William Faulkner becomes alive to Scrantonians as well as to the handicapped and to those who cannot afford the price of a theater ticket or to pay for cable.

Programming expenditures are the major discretionary item in our budget. Our facilities and equipment are in place, and they require increased amounts of money to maintain them just to keep us on the air.

Power costs to give an example, have increased 20 percent in our area this past year along, and they are promising the same for next year. Therefore, we are caught on the horns of a dilemma. We need the quality programming to reach and hold an audience when we look for increasing support, and funding cuts at this point make this extremely difficult if not impossible.

The local newspaper, the Scranton Times, has characterized WVIA along with other institutions in our area as an educational and cultural asset, an important element in the quality of life in the region, and we wish to remain so and merit community support. We feel that strongly on the local level in public television about the public trust which the Carnegie Report attributed to public broadcasting a few years ago.

The mandate of this report if you have read it, and I am quoting here:

> The obligation and opportunity to bring together a fragmented and wounded society in which we have momentarily lost touch with one another as we react to a decade of terrorism, guerrilla war, racial discontent and economic danger. The opportunity is at hand to bring us together through the teaching and inspiration possible in a noncommercial telecommunications alternative to build a constituency and means by which America can develop concensual agreement about the democratic heritage we all hold in common—history, family, art, science, love of nature, and tolerance for differences.
>
> We must come to know ourselves as we really are, not as advertising would have us be.

With this in mind, I urge you consider this as a deliberate funding for the National Endowments of the Arts and Humanities.

Mr. YATES. Thank you, Mr. Walsh.

Mr. CHRISTENSEN. In summary, without the kind of support that has been given to the Arts and Humanities over the past years, coming to public broadcasting, the example of that being in 1981 the Humanities and Arts together gave to public broadcasting just over $16 million. The budget which is proposed for 1983 will cut that to $7 million.

That is a dramatic drop in the amount of programming public television will be able to make available to the people, but further it decreases the availability of a particular kind of program, programming that takes into the homes of American people the arts and humanities of this country, opera, drama, programs on political science, programs that just should not be lost we think to this country.

Therefore, we do ask that the committee support the kind of funding levels that have been requested for the Endowments and Humanities. They are essential to public television, and they are essential to the Nation as a whole.

Thank you very much

Mr. YATES. Thank you, Mr. Christensen and Mr. Walsh.

[The statement of Bruce Christensen follows:]

TESTIMONY

Bruce Christensen, President
National Association of Public Television Stations
before the
Subcommittee on the Interior
Committee on Appropriations
U.S. House of Representatives

May 7, 1982

Mr. Chairman, it is an honor for me to present testimony concerning appropriations for the National Endowments for the Arts and the National Endowment for the Humanities before you and your Subcommittee. I am Bruce Christensen, President of the National Association of Public Television Stations. The nation's 295 public public television stations are charged with delivering public service television which Congress said, more than a decade ago, ought to be available to every American citizen.

Because of the support we have received from both Endowments since their creation, we have been able to offer an equal opportunity for enlightenment to all Americans. The viability of the Endowments is as important to our future as it was to our past.

A modest growth in support for the Endowments during the last 15 years has generated a dramatic increase in private sector contributions to the arts and humanities. Perhaps more importantly, the combination of government and corporate support has fostered a flourishing of American creative talent and a renewed American appreciation of our cultural heritage. We urge you to continue the contributions of the Endowments by preserving an adequate level of federal support--appropriations of at least the same levels as in FY1982, $143 million for the Arts and $131.5 million for the Humanities.

The partnership between the Endowments and public television extends back 15 years. Since 1967, over 1,000 public television and radio programs have been funded by the Endowments. The reasons for the partnership are as obvious as they are inevitable. Public television can extend the reach and value of the Endowments' funding because it serves a large audience economically and effectively; creative writers, producers and performers benefit from the exposure to a larger audience as well.

Together, this partnership seeks to preserve and display our cultural heritage; together we hope to nourish the creative promise of our present and future. And together we have shown that the profound can be popular.

Just a few examples of programs funded by the National Endowment for the Humanities demonstrate this point. The American Short Story Seires, In Pursuit of Liberty, The Best of Families, Odyssey and Hard Choices not only achieved critical acclaim but also substantial viewing; cumulatively, more than 10 million people watched these programs weekly. And the audience for this programming is growing. In 1977, public television and radio programming supported by the Endowment for the Humanities reached an estimated 23 million families; by 1981, that number grew to 31 million. Add to these figures the use of these programs by public schools, libraries, colleges and local civic groups and the extent to which public television enhances the value of the federal investment is clear.

The program topics span the full range of creative human endeavors. Public television relates early American history--from stories on the Shakers and The Adams Chronicles to the Wright Brothers. Hard Choices deals with the ethical implications of recent advances in medical technology. The contributions of American authors--from Mark Twain and William Faulkner to Edith Wharton and Carl Sandburg--have become better known and appreciated through programs about them and their works. This year, five of the American Playhouse series will receive partial funding from the Humanities.

Grants from the National Endowments for the Arts provide public television programming ranging from folk arts, local drama and jazz to Non-Fiction Television and Evening at Symphony. Live from the Met, in its fifth season, and Dance in America and Live from Lincoln Center--both in their seventh seasons--have garnered rave reviews from critics and viewers alike. Thirty-two million Americans recently watched a series of eight Metropolitan Opera performances on public service television--an audience equivalent to sold out performances 365 days a year for 23 years and one month. The impact on public television has been two-fold. We have been able to provide the highest quality in programming--which our otherwise modest budgets would not have permitted. Because of this programming, we have substantially increased our viewing audiences and the voluntary contributions we receive from them.

Building television audiences for the arts and humanities does more than bring culture into American homes, it fosters the growth of tomorrow's audience in our theaters. When attendance at the Metropolitan Opera exceeded 99% of the hall's capacity for the first time in history, Executive Director Anthony Bliss attributed a good part of the increase to the Met's having been on public television. He feels that public broadcasting in the future is a fundamental element in the Met's ability to expand its services, maintain itself, even survive. John Goberman, Director of the Media Development Department for the Lincoln Center agrees that more people are coming to see live dance and opera because they have seen it on television. And according to Edward Villella of the New York City Ballet, "Through public television we are building an audience throughout the country. Twenty years ago you could shoot deer in City Center--500 people on a Saturday night in a theater that seats 3,600 people. Today, the theater is jammed for eight performances a week..." Itzhak Perlman feels the same way.

Some of our newer services will build even larger future audiences. Beginning last fall, 500 colleges across the country began offering courses for credit in conjunction with 206 local public television stations. One of those courses, Humanities through the Arts, includes 30 programs surveying film, drama, music, literature, painting, sculpture and architecture, examining each art form from four perspectives: historical context, elements of the art, form and meaning as well as criticism and evaluation. Another course is based on The Shakespeare Plays.

In other cases we deliver American citizens their only cultural service. We broadcast to the homes of those who cannot afford the price of a theater ticket and to our disabled or elderly citizens who cannot visit their local museums and libraries or travel to distinguished performances in distant places.

And so today, Lincoln Center is live--not just in New York City but in living rooms throughout America; the genius of a Mark Twain or William Faulkner becomes instantly accessible and inviting to read.

Unfortunately, the continued contributions of this creative partnership are in jeopardy. Appropriations for the Corporation for Public Broadcasting have already been cut 25%; the Administration proposes another 25% cut over the next few years. Critical federal support from the Department of Education, the National Science Foundation and the Department of Commerce's equipment and construction matching grant program may be cut by the same percentage or more. And, as this Subcommittee is well aware, another round of severe reductions for both Endowments has been proposed.

During FY1981, the media budget of the Arts Endowments provided 63 grants totaling over $7 million, which was expected to generate an additional $24 million in non-federal support. Humanities grants for media totalled $9.5 million. Thus the combined contribution of the Endowments, much of which directly benefited public television programming, equaled $16.5 million.

The FY1983 budget proposal requests a reduction in media grants for both Endowments of nearly 60% over two years--down to less than $7 million. While all of our stations are aggressively seeking alternative sources of revenue, we do not anticipate we can make up even a substantial part of the funds lost through the Corporation for Public Broadcasting--let alone compensate for the loss of federal funds from other vital sources like the Endowments.

To lose a substantial amount of programming in the arts and humanities is to severely diminish our mission as well as our society's role in extending our cultural heritage freely to all.

The alternative is to preserve this public trust partnership with a recognition that it is delicately perched on a three-legged stool of financial support--from the federal government, business supporters and American viewers and listeners. The partnership can be preserved with continued federal support for the Arts and Humanities Endowments--but will be imperiled without it.

Friday, May 7, 1982.

NATIONAL COUNCIL OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESS

LOUISE ANO NUEVO KERR, ASSOCIATE PROFESSOR OF HISTORY, LYOLA UNIVERSITY OF CHICAGO AND MEMBER, NATIONAL COUNCIL OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES

Mr. Yates. Ms. Kerr, I understand you are a member of the Council. Would you care to say a word or two?

Ms. Kerr. I am Louise Kerr.

Mr. Yates. From the City of Chicago no less.

Ms. Kerr. That is right, as a matter of fact I teach at Loyola University, which is now in your district.

Mr. Yates. Yes, it is.

Ms. Kerr. And I live in Evanston which I think will be in your district.

Mr. Yates. Okay, looks like we are married, does it not?

Ms. Kerr. Yes.

I am in Washington and I wanted to take the opportunity to come to see you and to observe the hearings that you have here. I wanted especially to thank you for the support that you have in the past given to the Endowment, specifically, but to the humanities in general to which I am married and which I feel is my constituency.

Mr. Yates. How long have you been on the Council?

Ms. Kerr. About 1½ years.

Mr. Yates. What is your impression of it?

Ms. Kerr. Of the Council?

Mr. Yates. Yes.

Ms. Kerr. The Council is for the most part a very thoughtful body. I come from the discipline of history, history is the conservator.

I think the humanities in general are the disciplines, are conservators, and I think they are relatively conservative in their expressions of thanks and so on, and one of the reasons I wanted to be here is that I know that the Council members have not said a great deal publicly and they have not participated in hearings—not that I expected to participate but I think sometimes that Council members should perhaps take a more active role.

Mr. Yates. I think so, too. Good for you.

What do you think about the budget?

Ms. Kerr. The budget proposed by the Administration?

Mr. Yates. Yes.

Ms. Kerr. I think it is rather small for our needs. I am particularly troubled by the budget. I have to say that I am speaking personally of course.

Mr. Yates. Of course.

Ms. Kerr. I do not speak for the Council and I certainly do not speak for the staff. I could in no way speak for the staff.

I am particularly troubled because in my view—I also serve on the Illinois Humanities Council. I was listening to the testimony given earlier, and I, in various ways as a National Council member, lament the very things they are talking about. The losses that would be imposed upon the Humanities and the country's access to the Humanities if, in fact, the budget would be cut back to the level of the Administration's suggestion.

I am particularly concerned about it because in a way the success of the Endowment in reaching the underserved publics, the previously unserved public, the very success in nurturing and helping to expand the facilities of the established institutions is now in great jeopardy. One ramification I did not hear discussed while I was here, is that once a program is cut back, particularly to the levels that they are suggested to be cut back, is, I think, going to be many, many years before they could once again be viable.

We may not in our lifetime see them be as viable as they have now begun to be. The potential is about to be seen and to cut them at this point I think would be disastrous.

Mr. YATES. I agree with you.

Okay, I am glad to have your testimony. I appreciate very much your coming in. I am delighted to have you for a constituent both in Loyola and in Evanston. Thank you for coming in.

Ms. KERR. Thank you very much.

Mr. YATES. We have letters to go into the record from Ms. Sondra Myers of Scranton, Pennsylvania; from the Washington Archaeological Research Center; and Texas State Division of the American Association of University Women.

[The letters follow:]

SONDRA MYERS
1121 MYRTLE STREET
SCRANTON, PENNSYLVANIA 18510

RECEIVED
MAY 5 1982

April 27, 1982

Honorable Jamie L. Whitten
House of Representatives
Washington, DC 20515

Dear Representative Whitten:

Last year I had the privilege of testifying before your Committee in behalf of the National Endowment for the Humanities. I spoke of the NEH as it relates to Scranton, Pennsylvania, and the other "Scrantons" of this nation. My own interests and career embrace the arts and humanities. I am currently chairman of the Pennsylvania Humanities Council and president of Citizens for the Arts in Pennsylvania, a private non-profit volunteer arts advocacy organization.

I am writing to urge that you appropriate funds to the Endowments and to the IMS at the highest level possible. Your responsiveness last year to the pleas of the advocates for the arts and humanities was nothing short of inspiring. We are deeply indebted to you.

The hopes of the Reagan administration that the private sector would "pick up the slack" caused by reduced federal funding have not and cannot be borne out. The pressures on foundations, corporations and individuals for charitable gifts has increased enormously, as one might have predicted.

Not only do we have a cultural tradition to maintain in this nation; we also have a blossoming of creativity that manifests itself in the development of distinctive American art forms, in talented artists and thinkers springing up all about, and in vastly increased audiences for the arts.

American culture is coming into its own! It needs the modest support it receives from the government. The artistic and intellectual product of our time will be, along with democracy itself, our legacy to future generations.

I urge that you give nurture to that which animates, defines, interprets, and enhances our great and unique society.

Sincerely,

Sondra Myers
SONDRA MYERS

WASHINGTON ARCHAEOLOGICAL RESEARCH CENTER
COORDINATING OFFICE: WASHINGTON STATE UNIVERSITY, PULLMAN, WASHINGTON 99164-3620

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PHONE 509-335-8566
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The Honorable Sidney Yates, Chairman
House Subcommittee on Interior Appropriations
United States House of Representatives
Washington, D.C. 20515

March 30, 1982

Dear Mr. Yates,

The following members of the Washington Archaeological Research Center Advisory Council and Northwest archaeologists object to proposed reductions in the FY83 budget for the General Research Programs, National Endowment for the Humanities. As members of the public interested in the preservation, protection and scientific recovery of our nation's archaeological resources and heritage, we urge continued full support of this program.

The public has demonstrated considerable interest in archaeology and our country's prehistory; and to advance our knowledge of this heritage requires at least the present level of support. We can only have a clear view of our present heritage through an understanding of the thousands of years of cultural development that contributed to our nation's heritage.

We, therefore, strongly believe that: (1) the public's interest, and (2) the importance of recovering and interpreting our country's heritage requires the continued full support of this minimally funded, but highly productive, program.

Please incorporate this opinion into your hearing record.

cc: Henry Jackson
Slade Gorton
Don Bonker
Tom Foley
Norm Dicks
James Watt
Sid Morrison
Les AuCoin
Denny Smith
Mike Lowry
James Weaver

DC:ea
341-1

Central Washington University, Eastern Washington University, The Evergreen State College, University of Washington,
Washington State University, and Western Washington University

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★ TEXAS STATE DIVISION ★
AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

RECEIVED
MAY 1 1982
APPNS. CMTE.

5017 15th
Lubbock, TX 79416
27 April 1982

Rep. Jamie L. Whitten, Chair
Appropriations Committee
House of Representatives
Washington D.C. 20515

Dear Rep. Whitten:

As more and more persons are appreciating the value of the humanities in the lives of individuals, it is not the time to cut the budget of the National Endowment for the Humanities. In Michael Maccoby's new book on leadership, he states, "Combining a humanistic background, anthropology, and some understanding of depth psychology is essential to being the most effective kind of leader." The Endowment helps provide this humanistic background that is so necessary for leadership.

The Endowment was severely cut last year, and a cut of 27 percent this year would be devastating. We believe that a budget of 418 million would be more appropriate. The American Association of UniversityWomen supports continuance of programs in the humanities to develop and encourage creative aesthetic values for lifelong learning.

We urge you to oppose further funding cuts in the NEH budget.

Sincerely,

Betty Anderson

Betty Anderson, Texas Division
Cultural Interests Representative

Mr. Yates. At this point we will enter into the record letters and statements from interested parties who were not able to attend the hearing. That is the end of the hearing.

The National Humanities Alliance [illegible] Thomas Jefferson Street, N.W. Suite 428 Washington, D.C. 20007 (202) 338-9194

TESTIMONY OF THE NATIONAL HUMANITIES ALLIANCE

to the

Subcommittee on Interior and Related Agencies

Honorable Sidney Yates, Chairman

Committee on Appropriations

U.S. House of Representatives

26 May 1982

The members of the National Humanities Alliance support the work of the National Endowment for the Humanities (NEH) and oppose the reductions in the agency's budget that have been proposed to the Congress. The Alliance is a coalition of forty-four (44) national membership organizations, including learned societies representing scholars in the humanities and associations whose members are museums, libraries, colleges, and universities. We also represent the wide spectrum of citizens who actively participate in the state programs to enhance public appreciation of the humanities. In short, the Alliance unites and expresses the concerns of persons and institutions whose involvement with the humanities enriches our national life.

Members of the Alliance have found the NEH, during the sixteen years of its existence, to be an effective agent for formulating and supporting national policy in this particularly sensitive area. Work funded by the Endowment has fostered learning in the humanities and enriched the intellectual and cultural lives of our citizens. The agency has become an essential part of the complicated network of support—governmental and private—which sustains those individuals and institutions dedicated to the pursuit and advancement of the humanities. It fosters the preservation of resources for scholarship in the humanities, it encourages projects to make these resources accessible to both scholars and the public, and it promotes excellence in the teaching, study and interpretation of learning in the humanities.

The bipartisan support that the Endowment has received from the Congress and five successive presidents has been gratifying. We are pleased to note that President Reagan has expressed commitment to the agency's basic mission through the care exercised in selecting a new Chairman and through his positive response to the recommendations of the White House Task Force on the Arts and Humanities.

We do, however, believe that the budget request before you underestimates both the value of the humanities and their continuing and critical needs. The superb work that the NEH has funded and promoted, and of which it is justifiably proud, is being undercut by these budget reductions. While the budget submission eloquently describes goals for the Endowment, the amount of funding requested is inadequate for accomplishing those goals.

The Endowment has announced its intention to give special priority to improving the teaching of the humanities in our nation's elementary and secondary schools. The members of the Alliance applaud this initiative and look forward with particular interest to the newly launched summer seminars for high school teachers. However, we are concerned that the promise of this initiative will never be realized if reductions in NEH's education programs are implemented. Both in our elementary and secondary schools and in our colleges and universities, if teaching is to be improved, more, not fewer, resources must be devoted to the task.

Although American scholarship in the humanities is among the finest in the world, only a small portion of its needs have been met by the federal government. The structure of support for scholarship is, however, so fragile that a reduction in NEH funding could threaten the continuity of a great deal of basic research. Major research tools, under development for many years, must be completed if they are to be of use to future generations of researchers. The vitality of American scholarship is dependent upon the availability of fellowships for individual scholars, and NEH is a primary source of these funds. Research libraries conserve and make accessible the resources basic to the humanities; their needs will require increased attention in the years ahead.

Public understanding of the humanities, which has been well served by programs conducted by museums, historical societies, libraries, and state humanities councils, will suffer severe retrenchment under the proposed cuts. The NEH has in the past decade been a leader in encouraging access to and appreciation of the humanities among a broad range of America's citizens. These efforts will be cut in half if the proposed reductions are effected. Although museum exhibits and media presentations have been successful in attracting private support, in many cases private sponsors were responding to federal leadership. Without that stimulus, it is doubtful that many of these projects will ever take place. Particularly hard hit by these reductions will be the state humanities councils; funding for some councils will be reduced by as much as 68%.

President Reagan has often stated his belief that the federal government should encourage the private sector to give generously to the arts and humanities. The Endowment has been, through the use of treasury funds and the Challenge Grant program, effective in stimulating private support. The members of the Alliance applaud the reinstituion of the Challenge Grant program and look forward to cooperating with the administration in its efforts to increase the levels of private giving to the humanities.

On the other hand, we also believe that the Endowment has a singularly important role to play in assisting projects which find it all but impossible to raise private support. As the agency itself has pointed out in its budget submission, "Without outright grants, access to humanities institutions and events would be almost entirely the privilege of those living in affluent areas. Moreover, certain kinds of meritorious and valuable humanities projects (such as individual scholarly research) tend not to attract corporate or other philanthropic support because of their relative lack of visibility." We therefore ask that the committee, as it develops its recommendations on this budget, not forget the small historical society, the individual scholar, or the isolated community or liberal arts college, for which a corporate grant is out of reach. For these applicants, an NEH grant may be the reality that makes possible the cataloguing of a collection, the completion of a book, or the development of an improved curriculum.

The NEH budget in 1982 is already 14% less than it was the year before. That it is even that high is a result of the concern and commitment of members of Congress, in particular the members of this committee. We think you will agree that the additional reduction of 26% which the administration has requested is a serious and unjustified blow to the humanities. Such a cut would result in a reduction of $56 million from 1981 to 1983--a sum that cannot be raised in the foreseeable future from other sources. We find the magnitude of this reduction startling, and, in light of the critical needs in this area, clearly inadvisable. Hence we implore you not to cut the agency's budget again. Indeed, we believe that the appropriation for 1983 should be $148 million.

In testimony before this committee on May 7, Willard L. Boyd, President of the Field Museum of Natural History, said,"...complex weapon systems will not take the place of public commitment. If we are to be a strong nation, we must be a strong people. We must be a creative people. The humanities along with the sciences and the arts are the basic grist for a prosperous nation. Together, they form America's never ending frontier." The National Humanities Alliance asks the members of this committee to give their continuing attention to the importance of the humanities, and acknowledges with gratitude your previous support.

The National Humanities Alliance 1055 Thomas Jefferson Street, N.W., Suite 428, Washington, D.C. 20007 (202) 338-9194

The National Humanities Alliance is a coalition of membership organizations working together to develop understanding of the importance of the humanities and awareness of the need for federal support for them. The formation of the Alliance in 1981 marked the first time that groups representing institutions as diverse as learned societies, museums, colleges, libraries, state humanities councils, and historical societies have cooperated in a major legislative effort. The following organizations are members of the Alliance:

American Anthropological Association
American Assoication for the Advancement of the Humanities
American Association for the Advancement of Slavic Studies
American Association for Higher Education
American Association of Community and Junior Colleges
American Association of Museums
American Association of State Colleges and Universities
American Association for State and Local History
American Council of Learned Societies
American Dialect Society
American Historical Association
American Library Association
American Musicological Society
American Philological Association
American Political Science Association
American Psychological Association
American Society for Aesthetics
American Society for Eighteenth Century Studies
American Society for Legal History
American Sociological Association
Associated Colleges of the Midwest
Association for Asian Studies
Association of American Colleges
Association of American Geographers
Association of American University Presses
Association of Research Libraries
Bibliographical Society of America
College Art Association
Community College Humanities Association
Economic History Association
History of Science Society
Independent Research Libraries Association
Linguistic Society of America
Modern Language Association
National Association of Independent Colleges and Universities
National Council of Teachers of English
National Federation of State Humanities Councils
National Humanities Faculty
Oral History Association
Renaissance Society
Society for the History of Technology
Society of American Archivists
Society of Biblical Literature
Western History Association

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF THE HUMANITIES

918 16TH STREET, N.W. (SUITE 601)
WASHINGTON, D.C. 20006
(202) 293-5800

April 12, 1982

The Honorable Sidney Yates
U.S. House of Representatives
2234 Rayburn House Office Building
Washington D.C.   20515

Dear Congressman Yates:

As you consider the budget for the National Endowment for the Humanities for fiscal year 1983, I hope that you will bear in mind the serious injury to American culture that is likely to ensue upon an appropriation for the Agency of $96 million -- a 27% cut from the current level of appropriations. Two reasons in particular make the Administration's budget request difficult to justify.

First, the humanities simply do not have the ability to raise funds from the corporate sector, contrary to what the Administration believes. Projects and institutions in the humanities tend to be of modest scale. They do not offer visibility for corporate sponsors. They often represent the work of individual scholars, who have no means to raise external funds. And, from my own experience in the past few months, there can be no doubt that the corporate sector is incapable of providing the funds which are needed to support the humanities at levels appropriate to modern conditions.

In the second place, reductions of 27% in the Endowment's budget are hard to justify in the light of reductions made by the Congress last year. Instead, a budget of $140 million to $150 million -- a modest increase from the level of this year's appropriations -- would be more in keeping with the state of the economy and would testify to the ability of the humanities to share appropriately in reductions of federal support which are being experienced by all sectors of the society.

Sincerely yours,

James M. Banner

James M. Banner, Jr.

JMB:eak

JAMES M. BANNER, JR.
Chairman

**The
Center
for
International
Affairs**

**Harvard
University**

1737 Cambridge Street, Cambridge MA 02138
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April 30, 1982

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[illegible]

Hon. Sidney Yates
U.S. House of Representatives
Washington, D.C.

Dear Congressman Yates:

On behalf of the Executive Council of the Latin American Studies Association, the largest association of scholars working on Latin America in the world, I am writing to thank you for your past support for the National Endowment for the Humanities and to urge you to continue to defend an adequate level of appropriations for the NEH.

Since 1965, the U.S. Congress has recognized that the humanities are central to our idea of a civilized and democratic society. The humanities are and ought to remain a national priority because they help to define who we are as a people and what are the values in which we believe.

The National Endowment for the Humanities is now the main source of fellowship support for scholars in the humanities working on independent research and study projects. NEH fellowships and awards, in particular, are fundamental to those of us concerned with Latin America. NEH funds are vital to an important part of our profession. The NEH is a key source of support for the most able graduate students engaged in dissertation research at a time when graduate enrollment have already been cut drastically.

NEH support for libraries, and for such products as dictionaries, lexicons, bibliographies, catalogues, and translation, is also indispensable for our profession as well as for many other citizens, business or comparable organizations with broad national and international interests.

If NEH funds were cut, there is simply no alternative source of funding for these activities that are essential for the maintenance of national and international education in the United States. NEH funds can and have been used to raise additional funds from the private sector; but the private sector cannot be expected to take the place of federal funding. Both sources of funding are needed and are complementary.

A sharp reduction in the NEH budget would repeal the broadly supported and bipartisan commitment that the U.S. Congress enacted into law a decade and a half ago. It would break the faith with those who have embarked in an upgrading and diffusion of the work in the humanities that had been carried out on the expectation that the federal government's commitments were reliable.

I strongly urge you to seek to retain funding for the NEH in the FY83 budget at a level no lower than the FY82 level.

Sincerely,

Jorge I. Dominguez

Jorge I. Domínguez
President
Latin American Studies Association

Bowling Green State University

Dean of Libraries
and Learning Resources
Bowling Green, Ohio 43403
Cable BGSUOH

March 8, 1982

The Honorable Sidney R. Yates,
Illinois, Chairman
Room 2234, U. S. House of Representatives
Washington, D. C. 20515

Dear Congressman Yates:

This letter is to request your support of continued funding for the National Endowment for the Humanities at least equal to the 1982 funding level. In particular I would like to stress the value that NEH has provided for Bowling Green State University and Northwest Ohio. We received a NEH Challenge Grant to our private support for materials at the University Library. In addition, this funding is providing us with the ability to establish a conservation and preservation center, which also serves the surrounding communities in Northwest Ohio.

For every dollar provided by the federal government we have been able to raise three dollars of private sources. Without this seed money from the federal government, I do not believe we would have gotten the project off the ground.

I recognize my example is local in nature, but I am aware that such activities by the endowment have taken place around the country. The cumulative effect is indeed large compared to the small federal investment.

Your continued support of NEH is most appreciated and will not go unrecognized.

Thank you very much.

Sincerely yours,

Dwight F. Burlingame
Dean of Libraries and Learning Resources

DFB:sm

★ TEXAS STATE DIVISION ★
AMERICAN ASSOCIATION OF UNIVERSITY WOMEN

5017 15th
Lubbock, TX 79416
27 April 1982

Rep. Sidney Yates, Chairman
Subcommittee on Interior and Related Agencies
House of Representatives
Washington, D.C. 20515

Dear Representative Yates:

As more and more persons are appreciating the value of the humanities in the lives of individuals, it is not the time to cut the budget of the National Endowment for the Humanities. In Michael Maccoby's new book on leadership, he states, "Combining a humanistic background, anthropology, and some understanding of depth psychology is essential to being the most effective kind of leader." The Endowment provides this humanistic background that is so necessary for leadership.

The Endowment was severely cut last year, and a cut of 27 percent this year would be devastating. We believe that a budget of 418 million would be more appropriate. The American Association of University Women supports continuance of programs in the humanities to develop and encourage creative aesthetic values for lifelong learning.

We urge you to oppose further funding cuts in the National Endowment for the Humanities budget.

Sincerely,

Betty Anderson

Betty Anderson, Texas Division
Cultural Interests Representative

MONDAY, MAY 17, 1982.

PUBLIC WITNESSES

INSTITUTE OF MUSEUM SERVICES

Mr. **YATES**. Mr. Reporter, show the hearing as coming to order.

This is a hearing on the appropriation for fiscal year 1983 for the Institute of Museum Services. This morning we will hear public witnesses.

WITNESSES

CRAIG C. BLACK, DIRECTOR, CARNEGIE MUSEUM OF NATURAL HISTORY; PRESIDENT, AMERICAN ASSOCIATION OF MUSEUMS

KENNETH STARR, DIRECTOR, MILWAUKEE PUBLIC MUSEUM; PAST PRESIDENT, AMERICAN ASSOCIATION OF MUSEUMS

Mr. **YATES**. We are very pleased to have as our witnesses this morning Mr. Craig Black, President of the American Association of Museums and, also, Director of the Carnegie Museum of Natural History. He is accompanied by Mr. Starr.

Your statement, Mr. Black, may be made a part of the record, and we would be very glad to hear your statement.

Mr. Starr I know is Director of the Milwaukee Public Museum of Milwaukee, Wisconsin, and a Past President of the American Association of Museums. Well, we are very pleased to have both of you here today.

Mr. **BLACK**. Mr. Chairman, it is a pleasure for us to be here, and I appreciate this opportunity to testify on behalf of the museum community for your deep concern for and support of our institutions. Museums have profited not only by the funds this committee has provided but by the discussion you have provoked on the role of the Federal Government in support of the Nation's cultural life and its cultural institutions.

In the time I have today, I wish to make two simple points about IMS—the Agency that the Administration hopes to eliminate. The first is that the museum community overwhelmingly supports IMS and believes that it must be preserved. The second is our conviction that the primary purpose of the Agency is to help museums by providing badly needed general operating funds in a way that is both equitable and responsive to their needs and circumstances.

I would like to quote from testimony presented to this committee by Mr. Tower last week.

> Museums are an essential part of the economic fabric and vitality of this country. They are among the most valued institutions of our society. They have a unique role in preserving our cultural heritage, and in contributing to scholarship and public education.

Nevertheless, for two consecutive years the Administration has proposed the elimination of the Institute. Although the proposal has not struck a responsive chord in Congress, museums have used the threats to IMS to reconsider the importance of this program to the well-being of their institutions. Their conclusion is that museums need the Institute of Museum Services. They need a program that provides, at the national level, the context for a discussion of the role of museums in enhancing the Nation's cultural life and preserving its heritage and one that acknowledges their unique requirements at the national level for general operating support.

The Institute has never had a large appropriation but it has consistently recognized museums of quality and those that desire to achieve it. The grants, although a small portion of museum budgets, have had a measurable impact on the ability of museums to protect collections and to serve the public. The grants have helped museums to improve the physical condition of their buildings; afford the heat and light necessary to stay open to the public; train volunteers and docents; develop fund-raising campaigns and conserve collections. The uses are as various as the institutions that have received support.

The existence of general operating support for museums at the national level has also helped to focus attention on this issue at the local level. Museums have begun to educate their communities about the complexities of a museum's operations and its obligation to pass on intact to future generations that part of the Nation's patrimony entrusted to it.

I cannot emphasize too strongly the importance both of IMS funds and the very existence of a program of general operating support at the national level. Administration representatives are confident that the funds the Institute has distributed can be found at the local and State levels and that such support should more appropriately be found at those levels.

Everything I hear from museums makes it clear that State and local government cannot provide increased support. The cumulative impact of the slow down in the economy and the Administration's reductions in domestic spending strains to the limit the ability of States and localities to stay afloat, much less take on increased responsibilities in this area. Museums are facing cuts in State and local funding that begin to erode seriously their ability to carry out basic responsibilities to the public and to their collections. More important, the legitimate and necessary role of the Federal Government in providing funds and leadership at the national level should not be abandoned.

There is a history of partnership in the support of this country's cultural institutions that has helped them to flourish. The responsibility to support and sustain the Nation's museums has been a shared one and must continue to be. The partnership in this instance is like any other—the withdrawal of one partner causes the others to question and reconsider the investment. I see this happening around the country. I am alarmed at the Administration's consistent intent to withdraw from this area and its thorough misperception of its true role in support of museums and other cultural institutions.

The second point I would like to address is the role of the Institute as an agency of service to museums. All of the Federal programs that support museums have been remarkable in their efforts to serve the constituency and to avoid becoming rigid and bureaucratic. They have worked with museums to assess their needs and to develop responsive programs. The Institute, like the Humanities and Arts Endowments, has been acutely aware of how diverse museums are in terms of size, discipline and governing authority and has been appropriately flexible in its administration of its grant program. The uncertainty of funding for IMS appears to have seriously eroded the capacity of the Institute to maintain this flexibility.

It is our understanding that the Institute of Museum Service has rejected on technical grounds the applications of 77 museums for fiscal year 1982 grant funds. This is a matter of grave concern to the American Association of Museums. The decision to disqualify applicants prior to the review process is a sudden and dramatic change in Institute policy. To my knowledge the Institute had never disqualified applicants in this manner prior to the current fiscal year. As the chairman is aware, I have written to Mrs. Tower, the Institute's director, on this subject and am hopeful that the museum community can work with her and with the National Museum Services Board to resolve the situation involving this year's application procedures.

The loss of any prospect of fiscal year 1982 funding from the Institute is a hardship for the museums that have been disqualified. Nonetheless, these museums and the rest of the museum community, have not lost sight of the importance of the Institute of Museum Services and its program of general operating support. Congress willing, the Institute will award almost 600 grants in fiscal year 1982 and with further congressional support will survive to award grants in fiscal year 1983.

The budget adversity that has surrounded IMS for the last 2 years has strengthened the commitment of museums to that Agency. The need for general operating support has become critical to the continued well-being of the Nation's museums and remains the most competitive area of private funding. The Institute has played a key role in meeting that need and in helping to define and draw attention to it. Newly independent of the Department of Education and just recently aligned with the Endowments, the Institute needs to have a chance to stabilize and plot its course of greatest assistance to the Nation's museums.

Thank you, Mr. Chairman. I will be happy to try to answer any questions members of the committee might have.

Mr. YATES. Thank you, Mr. Black. I think we will hear from Mr. Starr first. Your statement may go into the record. I would also like to place in the record a letter which I received dated May 12, 1982, signed by E. Leland Webber, President of the Field Museum of Natural History.

[The statement and letter follows:]

STATEMENT OF CRAIG BLACK, PRESIDENT, AMERICAN ASSOCIATION OF MUSEUMS, DIRECTOR, CARNEGIE MUSEUM OF NATURAL HISTORY

Mr. Chairman and members of the committee, I appreciate this opportunity to testify on behalf of the Institute of Museum Services and its program of general operating support for our nation's museums. As the president of the American Association of Museums, I also appreciate having the opportunity to thank you and this committee both personally and on behalf of the museum community for your deep concern for and support of our institutions. Museums have profited not only by the funds this committee has provided but by the discussion you have provoked on the role of the federal government in support of the nation's cultural life and its cultural institutions.

In the time I have today I wish to make two simple points about IMS--the agency that the administration hopes to eliminate: The first is that the museum community overwhelming supports IMS and believes that it must be preserved. The second is our conviction that the primary purpose of the agency is to help museums by providing badly needed general operating funds in a way that is both equitable and responsive to their needs and circumstances.

For two consecutive years the administration has proposed the elimination of the Institute. Although the proposal has not struck a responsive chord in Congress, museums have used the threats to IMS to reconsider the importance of this program to the well-being of their institutions. Their conclusion is that museums need IMS. They need a program that provides at the national level the context for a discussion of the role of museums in enhancing the nation's cultural life and preserving its heritage and one that acknowledges their unique requirements at the national level for general operating support.

The Institute has never had a large appropriation but it has consistently recognized museums of quality and those that desire to achieve it. The grants, although a small portion of museum budgets, have had a measurable impact on the ability of museums to protect collections and to serve the public. The grants have helped museums to improve the physical condition of their buildings; afford the heat and light necessary to stay open to the public; train volunteers and docents; develop fundraising campaigns and conserve collections. The uses are as various as the institutions that have received support.

The existence of general operating support for museums at the national level has also helped to focus attention on this issue at the local level. Museums have begun to educate their communities about the complexities of a museum's operations and its obligation to pass on intact to future generations that part of the nation's patrimony entrusted to it.

I cannot emphasize too strongly the importance both of IMS funds and the very existence of a program of general operating support at the national level. Administration representatives are confident that the funds the Institute has distributed can be found at the local and state levels and that such support should more appropriately be found at those levels. Everything I hear from museums makes it clear that state and local government cannot provide increased support. The cumulative impact of the slow down in the economy and the administration's reductions in domestic spending strains to the limit the ability of states and localities to stay afloat, much less take on increased responsibilities in this area. Museums are facing cuts in state and local funding that begin to erode seriously their ability to carry out basic responsibilities to the public and to their collections. More important, the legitimate and necessary role of the federal government in providing funds and leadership at the national level should not be abandoned.

There is a history of partnership in the support of this country's cultural institutions that has helped them to flourish. The responsibility to support and sustain the nation's museums has been a shared one and must continue to be. The partnership in this instance is like any other-- the withdrawal of one partner causes the others to question and reconsider the investment. I see this happening all around me. I am alarmed at the administration's consistent intent to withdraw from this area and its thorough misperception of its true role in support of museums and other cultural institutions.

The second point I would like to address is the role of the Institute as an agency of service to museums. All of the federal programs that support museums have been remarkable in their efforts to serve the constituency and to avoid becoming rigid and bureaucratic. They have worked with museums to assess their needs and to develop responsive programs. The Institute, like the endowments, has been acutely aware of how diverse museums are in terms of size, discipline and governing authority and has been appropriately flexible in its administration of its grant program. The uncertainty of funding for IMS appears to have seriously eroded the capacity of the Institute to maintain this flexibility.

It is our understanding that IMS has rejected on technical grounds the applications of 77 museums for fiscal 1982 grant funds. This is a matter of grave concern to the association. The decision to disqualify applicants prior to the review process is a sudden and dramatic change in Institute policy. To my knowledge the Institute had never disqualified applicants in this manner prior to the current fiscal year. As the chairman is aware, I have written to Mrs. Tower, the Institute's director, on this subject and am hopeful that the museum community can work with her and with the National Museum Services Board to resolve the situation involving this year's application procedures.

The loss of any prospect of fiscal 1982 funding from the Institute is a hardship for the museums that have been disqualified. Nonetheless, these museums and the rest of the museum community, have not lost sight of the importance of the Institute of Museum Services and its program of general operating support. Congress willing, the Institute will award almost 600 grants in fiscal 1982 and with further Congressional support will survive to award grants in fiscal 1983.

The budget adversity that has surrounded IMS for the last two years has strengthened the commitment of museums to it. The need for general operating support has become critical to the continued well-being of the nation's museums and remains the most difficult kind of support to locate in the increasingly competitive area of private funding. The Institute has played a key role in meeting that need and in helping to define and draw attention to it. Newly independent of the Department of Education and just recently aligned with the endowments, the Institute needs to have a chance to stabilize and plot its course of greatest assistance to the nation's museums.

Thank you Mr. Chairman. I will be happy to try to answer any questions members of the Committee might have.

FIELD MUSEUM
OF NATURAL HISTORY

May 12, 1982

Congressman Sidney R. Yates
Room 2234, Dirksen Building
Washington, D. C.

Dear Mr. Yates:

I am happy to respond to your inquiry as to my understanding of past agency administrative procedures relating to grant applications from museums. I write from the perspective of service on the National Museum Services Board (1977-1980), National Council on the Arts (1970-1976) and Member of the Museum Panel of The National Endowment for the ARts (1976-1979). I have also served as a reviewer for the National Endowment for the Humanities.

The specific matter which I address is the rejection of grant applications for technical deficiences, such as lack of certified audit, failure to enclose an IRS letter, etc. Although the formal guidelines require certain of these attachments or enclosures, the Institute of Museum Services staff, with Board knowledge and approval, consistently aided applicants in the process of meeting their technical requirements in the period following the formal deadline date. Often telephone calls were made to applicants, notifying them of deficiences and allowing correction within a reasonable time. In many cases proposals were sent through the review process and, if the museum was recommended for a grant, the technical deficiencies were corrected before the grant was awarded. I am quite sure that the consideration and help of the agency was not abused.

During my almost 10 years of association with the National Endowment for the Arts I saw similar help extended by staff - often at considerable personal sacrifice.

A legitimate question may be asked as to whether such consideration is appropriate. I believe that is, as federal agencies exist to serve their constituencies, as defined by enabling legislation, and the national interest. It must also be recognized that many-probably the vast majority of the museums spplying to the Institute for Museum Services - had never dealt with a federal agency before. Clearly, there is a boundary between valid assistance and coddling. I do not believe that either the IMS or NEA staff went beyond the bounds of suitable civil service.

One of my most pleasant memories of my service with federal agencies is of an NEA museum panel meeting in New Orleans to which representatives of museums and arts councils from the south were invited. After the session, during which NEA staff and panelists explained the program and engaged in a 'give and take' discussion, one of the visitors said, "I have never met a more humane federal agency than this one." I, in turn, as a citizen participant in that agency's affairs, had never been prouder to be associated with the agency.

I hope that this answers your inquiry. Please let me know if any additional information would be helpful.

Sincerely,

E. Leland Webber
President Emeritus

ELW:maj

Mr. Starr. Good morning. In the way of preface, I would like to make brief observation about my own museum situation. The Milwaukee Public Museum was founded in 1882 and is one of the half dozen largest museums of natural and human history in the United States with programs in science, exhibition in education and public service. It is a people's museum. We have more than 600,000 visitors a year plus service to additional 10 million through the film collection that we have, the largest of any museum in the country, fully computerized for efficient service.

Our funding primarily is from Milwaukee County; 95 percent of our $5 million annual operating budget come from Milwaukee County. But we have significant additional support from both the private sector and noncounty public sources in the amount of $1.5 million a year. A very sophisticated match of both public and private funding.

I have no written statement today. I have been so pressed by budgetary hearings that I was not able to provide one.

The funding challenge museums face, of course, and Susan Botanical Gardens, our sister institutions, are particularly difficult. And we take particular licks in times of fiscal crisis. In Milwaukee County that fiscal pressure has been increasingly intense in recent years. I can but refer to the strong economic downturn in the Milwaukee area, great numbers of unemployment, overload of the general assistance budget and medical budget to the point of bankrupting the county. Loss of CETA monies and staff, a decrease in mass transit funds, and recently, of course, the burden of dealing with refugees in Milwaukee County. We have $2 million a year that go to that support.

Finally, unique in the country, Milwaukee County is the subject of a Federal judgment. The county is the subject of a Federal judgment for the replacement of sewers to the tune of $1.6 billion. The result of all of this, of course, is great pressure to the county and, in turn, on its agencies. As so often happens in such situations the cultural agencies, museums in particular, are the particular subject of attack.

The museum has been cut steadily. We have cut our operations to save staff. So now salaries make up more than 80 percent of our operating budget. Labor intensive care of collections is of essential importance. We steadily have increased our vacancy and turnover rate, not filling positions or lengthening the time in which we fill those positions.

This current year we are not privileged to fill 15 of our 150 positions. An additional 15 we would have lost were it not for the fact that 80 percent of my staff, including of course all of the management staff, are taking voluntary leaves of absence without pay of 2 weeks and the prospect is we might have to increase that period. The outlook for 1983 is somber, and again the museum is the area that promises to take the whacks. A $25 million deficit possible for the county, and as is indicated, no place to save money except for the parks, the museum and the performing arts. So here again we are in a difficult position. So it is, of course, that Federal support, particularly that from the Institute of Museum Services is of such particular importance.

Mr. **Yates**. That mentions the county's deficit. What about State funds?

Mr. **Starr**. There are no State funds that support the museum.

Mr. **Yates**. Is that true throughout the State?

Mr. **Starr**. In our case it is true, and it is true most throughout the State. It is a similar situation as in Cook County as against down State. The Southeastern quadrant of Wisconsin is industrial, the remainder of the State agricultural. So there is very little support in the State legislature for support of Milwaukee institutions.

Our museum, of course, is a national natural resource and most museums serve beyond their immediate political boundaries. The Institute of Museum Services is of particular importance for us in my mind because of its support of operating monies. The Institute of Museum Services is perhaps, for me, the most important of the Federal funding agencies despite the fact that at present, the monies from those sources are limited to each museum.

But funds for operations and for the less glittering or less popular aspects of the program are had to find support for. Relatively few donors will give money for salaries and fringe benefits for the payment of guards, custodial workers, secretaries or pay for sweeping compound and bowl cleaner or fund the care of collections or intellectually or esthetically less popular programs.

Additionally, there is no reasonable prospect of filling the gap with private funds. That was most recently documented again in Milwaukee, a national conference of corporate representatives to consider the support of social service programs. But again the arts are in particularly the same category. As stated by representatives of the corporate sector, Government must be the court of last resort when it comes to most of these programs.

Mr. **Yates**. Who said that?

Mr. **Starr**. This was a representative of Atlantic Richfield Company. A national conference in Milwaukee, and it was stipulated, for instance, that private charity, whether corporate or individual, is not likely to offset any major part of the Reagan administration's present and proposed cuts in social spending.

But again, I emphasize that pertains equally well, perhaps more so, to the cultural area. So the Institute of Museum Services is essential to us. I most respectfully request support for that program.

Incidentally, it would be helpful, of course, the museum community is greatly concerned about the fact that there have been no Presidential appointments to fill out the National Museum Services Board. At present there are but six members, nine vacancies, which, of course, means there is not a quorum. That board represents a group of private citizens who advise and counsel the Federal Government on affairs relating to museums. It is imperative that there be such a body and that it be alive and functioning.

The appointments, of course, are the President's prerogative with confirmation by the Senate. But we most fervently hope that all Members of the Congress will give that matter their attention and will urge the appointment of the additional members of that board.

Thank you for your courtesy, sir.

Mr. **Yates**. Thank you very much for your statement.

Do you receive funding now from IMS?

Mr. STARR. We have received funding from the Institute of Museum Services. We have received a grant in each of the granting cycles until this present cycle, when we were refused, rejected, for what we consider to be highly technical and——

Mr. YATES. What does that mean? What was the basis for the rejection of your application?

Mr. STARR. The basis for the rejection was that—we have received grants for each of the former funding cycles—on the basis of precisely the same documentation that we presented on this occasion. But the point that was raised this time was that we did not have a proper financial statement.

Now we have presented statements that in other years have sufficed. In this instance it was considered not to be satisfactory. The museum, after——

Mr. YATES. Go ahead.

Mr. STARR. If I may briefly describe the circumstances.

Mr. YATES. Sure.

Mr. STARR. We, this very year, are marking our centennial. We are 100 years old. In 1976, in our 94th year, we were moved from the authority of the City of Milwaukee to that of Milwaukee County, broader funding base as such. We have not had a formal audit since 1976. The county, just last week, on Monday, the 10th of May, provided us with an audit for the years 1976 through 1979. We provided an audit from 1976; since that time we, of course, are not allowed to operate at a deficit.

There are monitoring of our funds, but we did not have a formal statement and could not have one. We could not have one because the county did not provide us with an audit. So that is one point.

Beyond that, the county provides audits only every third year. There is no way in the future, if we are held to that highly, highly technical point that we can ever qualify on that basis. There is discretion on the part of the director of the Institute of Museum Services to consider situations of this kind, and we feel it is appropriate on the basis of past relationships not only with the Institute of Museum Services but also with other Federal funding agencies to work together in harmonious and cooperative ways for the common good.

We feel we have not been given fair treatment and consideration, and are making an appeal.

Mr. YATES. You are making an appeal to Mrs. Tower?

Mr. STARR. That is true, sir.

Mr. YATES. All right.

Mr. STARR. I might add we are particularly troubled because our grant proposals have been of good quality. As a matter of fact, one of them 2 years ago was a model, precuratorial care of collections at the Institute of Museum Services, and we have the documentation, called and asked for information. It was to serve as a model for a UNESCO project having to do with international care of collections. So our proposals have been of good quality, and so it was that we felt particularly troubled.

Mr. YATES. When did you leave your office as president of the American Association of Museums?

Mr. STARR. I ended my term in June of 1980, 2 years ago.

Mr. YATES. Had IMS been in existence prior to that time?

Mr. Starr. It had, yes.

Mr. Yates. Did you find the same kind of treatment being accorded to museums during the time you were president of the association that is found to be happening today?

Mr. Starr. We did not. There has been a change. Again, I emphasize the fact that given the complexity——

Mr. Yates. What do you mean by a change, a change for the better or the worse?

Mr. Starr. I can but repeat the fact that our proposal this year is rejected whereas in former years it had not been. That is an oblique answer.

Mr. Yates. It would be interesting to find out what the statistics are. Mrs. Tower told this committee that something like 77 applications have been rejected. You of course, have repeated that. She did not tell us the reasons for the rejections. I sense from what you said that all 77 were rejected because of inadequate financial statements.

Mr. Black. A great number were rejected for that reason. I am sure there were other perhaps technicalities in the applications that caused rejection of some of them. One of my concerns is that I understand there are a number of university museums rejected on the basis of incomplete or inadequate financial statements, primarily audits. It had been the operating understanding of museums with the Intitute of Museum Services that where a larger parent institution was responsible for their fiscal affairs, that a financial statement reflecting the museum's activities within the university context, not the entire university audited budget, would be acceptable. That was not the case as I understand it this year.

Mr. Starr. It is very important it seems to me to realize the fact that there are no two museums that have precisely the same set of circumstances and that there has to be a broad approach. This in no way speaks of lack of integrity, but a broad approach to the understanding of that fact. Again, whether it be university museums or our museums as part of a political unit, or small museums that might not have money for audits and such, there has to be some latitude and a consideration of the quality of the proposal, the track record of the institution submitting that proposal, whether or not, for example, the institution is accredited, so that there is guarantee of faithful and proper use of the funds.

Again, it is that spirit of cooperativeness, of working together for the common constituency that existed in earlier years in all of the Federal funding agencies, and that, in this particular instance, seems not to be solely true.

Mr. Yates. You said that in other years you had received private contributions totaling about $500,000.

Mr. Starr. On an annual basis.

Mr. Yates. Are you still receiving that amount?

Mr. Starr. We are indeed.

Mr. Yates. Are you receiving more than that?

Mr. Starr. We are increasing our efforts. As an example, we were——

Mr. Yates. I know you are increasing your efforts. Are you increasing your income?

Mr. STARR. We are indeed. The private sector is making a strong effort.

Mr. YATES. How much of an increase are you receiving?

Mr. STARR. I can't tell you in percentages but apart from amount, the kind, it is the kind of contribution. As for example, our support group, our friends. Museum that provides these monies for us. In earlier years steadfastly has resisted funding salaries and fringes because once they fund one county position, next year it is two, and finally all of them. They also have resisted funding basic renovation work. In the past several years they have given on both of these points. They are funding some salaries, particularly contractual salaries for which there is a limit in time of the work. They also have given us just recently $200,000 for the renovation of an unused part of the museum. So there is an effort.

Mr. YATES. Will this effort be able to overcome failure of funding by IMS?

Mr. STARR. Absolutely not.

Mr. YATES. Why is that? You surely don't receive $200,000 from IMS?

Mr. STARR. That is true. In the aggregate we would approach that. Of course we would hope, I speak for myself only now, that in the future there might be a greater amount of support from that quarter. Obviously, at this particular time, that cannot be so. I realize that. But the private sector, both in our own museum and in the broader community has limits, one, of the amounts of money that they can provide, and, two, the uses to which that would be put. I mention custodial salaries, I mention guards. There is no prospect, absolutely no prospect, that our friends of the museum ever will support salaries for guards, custodial workers, secretaries. Yet those are essential to the effective operation of the museum. Again, I have found the private sector often likes to support the more glittering aspects of museum programs, but will not provide that kind of support for the basic essential ongoing daily operations.

Mr. YATES. Mr. Black, you wrote a letter to Mrs. Tower, dated April 23rd, and you raised a point in your letter which I believe was made a part of the record when Mrs. Tower was here to testify. You said in that letter:

> I believe that it is important to keep in mind that since the establishment of the Arts and the Humanities Endowments and the Institute of Museum Services these agencies have followed a policy of allowing applicants to correct minor deficiencies in the applications within a reasonable time after the filing deadline.

That has been changed by Mrs. Tower now?

Mr. BLACK. Yes. I believe that the historical pattern, and I have had experience with the National Endowment for the Arts museum program and with the first 3 years of IMS grants. I believe the pattern has been changed, and changed in a way that the museum community was not aware of. I think you have to look at the historical context and the way in which this has developed.

Mr. YATES. You mention in your letter that if this does reflect a change in policy by IMS, that notice of this policy change ought to be sent out to museums.

Mr. BLACK. Exactly.

Mr. YATES. So they are in a position to accommodate themselves to it.

Mr. BLACK. Most of these institutions have been, if there has been a question raised on an audit or a financial statement, staff members of these various Federal programs would call and raise this question and ask if something had been misplaced, loss, or the reasons for a particular financial statement, perhaps, rather than an audit. This did not occur on this grant cycle.

Mr. YATES. You read an excerpt from Mrs. Tower's statement.

Mr. BLACK. Yes, sir.

Mr. YATES. The paragraph before that says this: "Let me emphasize, Mr. Chairman, the Administration's belief that IMS grants program providing general operating support for museums could as well be conducted at the local level under private sponsorship." Is that possible?

Mr. BLACK. I do not believe that it is possible. I believe that the granting from the Institute of Museum Services has made a significant impact, not just on the budgets of museums in this country but on the philosophy and the local awareness of museum responsibilities and museum activities. I come from an institution where 95 percent of our budget comes from the private sector. We only have 5 percent of our operating budget from city, county, State, and Federal support. And we are finding it increasingly difficult to meet projected deficits for the next 3- to 5-year period in terms of commitments from the private sector.

And I think that the Institute of Museum Services, in making even modest general operating support grants, has been extremely effective in assisting museums to continue to raise money in the private sector.

Mr. YATES. What about your role as president of the association? What do you find is happening to your membership? Are they suffering the same kind of experiences?

Mr. BLACK. I have found that almost across the country they are suffering from it. At the meeting in Texas in February, Mr. Schotts of the Moody Foundation in Galveston, on a panel of trustees, made the statement that he, as a foundation representative, could forsee not only increased competition for foundation dollars in the private sector, but perhaps even a diminution in the amount of total dollars available.

The State of Washington has had to cut back on its State funded museums. The Burke Museum at the University of Washington, because of State financial difficulties, has been severely cut. We have seen this in museums really across the country.

Mr. YATES. Well, you read part of Mrs. Tower's statement. The last line of that paragraph says, "Corporations cite museums among the amenities they are seeking in good business locations and attracting employees." That is the last sentence in a paragraph that begins "Museums are an essential part of the economic fabric and vitality of our country."

How long will they continue to be a part of the economic fabric and vitality of our country if they are deprived of necessary funds?

Mr. BLACK. I am afraid they are going to lose their ability to serve, at least partially, as strong members in that fabric. I might refer to a comment that Mr. David Robert of U.S. Steel made at a meeting in Pittsburgh on the arts education, and the arts as a part of communities and city life, in which, in kicking off that conference, actually, he pointed out the great difficulty that cities and cultural institutions are going to face in the coming years if they expect the corporate sector and business to be able to step in and fill the void left by the removal of Federal dollars. And this is much broader than museums.

This is in the entire social-cultural sphere that he was speaking. But it certainly will have an impact on museums. That last sentence in Mrs. Tower's testimony is very valid. Corporations do point to the cultural institutions in cities as they are trying to hire employees and bring employees into an environment. But that does not say that those corporations can in turn increase and replace the monies that are being lost from the Federal budget.

Mr. **Starr**. If I may add to that, the conference in Milwaukee, the observation was made that only about 30 percent of corporations give more than $500 a year, and among the givers the average donation is only 1.6 percent of profits.

Mr. **Yates**. Here is a letter from the Honolulu Academy of Arts, dated February 18, addressed to me as chairman, signed by George Ellis, as director, which may go into the record at this point.

[The letter follows:]

Honolulu Academy of Arts

OFFICE OF THE DIRECTOR

900 SOUTH BERETANIA STREET HONOLULU HAWAII 96814 TELEPHONE 538-3693

February 18, 1982

Representative Sidney Yates, Chairman
Subcommittee on Interior
House Appropriations Committee
Congress of the United States
HOUSE OF REPRESENTATIVES
Washington, D. C. 20515

Dear Representative Yates:

As you participate in the congressional preparations of the 1983 budget, I would like to register our concern about proposed recisions of funding for the Institute of Museum Services and further cuts to an already reduced budget for the National Endowment for the Arts. In the past, both agencies have been the source of funds enabling the Honolulu Academy of Arts to execute programs and maintain services which are of extreme cultural significance to the community we serve. We are the only fine arts museum of a general nature in the state and provide numerous educational programs for schoolchildren and adults. Last year alone our attendance increased 23.5%.

Yet, the effects of inflation continue to plague us, as I will illustrate. The museum relies on contributions from individuals and corporations; grants from private foundations and state and federal agencies; limited revenues and endowment income.

In 1981 we sustained the level of contributions from individuals at nearly the same level as in 1980. In the area of corporate contributions, we registered a 24.5% decrease due to the uncertain economy and decreased tax incentives for charitable giving. The private foundations in Hawaii report they are now receiving four times as many grant requests as a year ago. The State Foundation on Culture and the Arts derives its funds from the Hawaii legislature and from the National Endowment for the Arts. Our revenues increased in 1981, but after costs and inflation still fall short of total expenditures for the programs from which they derive. Our endowment continues to provide a yield which represents less and less of the museum's budget. Last year additional austerity measures, program adjustments and staff cuts were necessary. Even then our deficit was 7.6% of total expenditures, up from 3.6% of total expenditures in 1980. In dollar terms the institution's 1981 deficit was 159.5% higher than in 1980.

The Federal budget certainly requires attention, and viable solutions will ultimately benefit the Honolulu Academy of Arts and other non-profit organizations in important ways. But, to even further handicap our ability to execute culturally enriching programs by reducing potential support from the Institute of Museum Services and the National Endowment for the Arts at this time will add to factors already imperiling the financial stability of this museum and, I submit, hundreds of others across the nation.

I urge you to vote to maintain the appropriations for these two federal agencies at the present levels. Equally important, if the funding levels for these agencies should be changed or their operations eliminated, which we do not advocate, this must be done over a period of years in order to give museums a chance to develop alternative sources of support. Your consideration of these matters will be greatly appreciated.

Aloha,

George R. Ellis
Director

GRE:lnu

cc: American Association of Museums
National Endowment for the Arts
Institute of Museum Services

Mr. Yates. He talks about supporting the Institute of Museum Services and says that their funds are necessary for his museum. He says the effects of inflation continue to plague us. The museum relies on individuals and private contributions, limited revenues and endowment income.

He says:

> In 1981 we sustained a level of contributions from individuals at nearly the same level as in 1980. In the area of corporate contributions, we registered a 24.5 percent decrease due to the uncertain economy and decreased tax incentives for charitable giving. The private foundations in Hawaii report they are now receiving four times as many grant requests as a year ago. The State Foundation of Culture and Arts derives its funds from the Hawaii legislature and from National Endowment for the Arts. Our revenues increased in 1981, but after costs and inflation, still fall short of total expenditures for the programs from which they derive. Our endowment continues to provide a yield which represents less and less of the museum's budget. Last year additional austerity measures, program adjustments and staff cuts were necessary. Even then our deficit was 7.6 percent of total expenditures, up from 3.6 percent of total expenditures in 1980. In dollar terms, the institution's 1981 deficit was 159.5 percent higher than in 1980.

Well, is that true of all the museums who are part of your group?

Mr. Black. No, I would say that is probably not true of all the museums. The local economy is going to have a major effect on the decrease or, we would hope, increase in the private sector giving. Certain areas are suffering much more economically today than others, and so it will vary from place to place in the country. However, I think the overall belief in the corporate and foundation sector is that there is no way that the private dollars can step in and support all of the Federal dollars that are being loss across a broad spectrum of social and cultural agencies, and that the competition there will increase, will become more intense.

At times this year when I have talked to some museum groups I have reminded them of the fact that this is the 100th anniversary of Darwin's death, and this struggle for survival and survival of the fittest is really something that may face these institutions right now.

Mr. Yates. What will happen? Have your museums been operating on a luxury basis, and now fat is being cut out, but that essentially, your museums are still able to provide the same kind of support to the community that they have in the past?

Mr. Black. I will speak for my institution. Ken has already spoken for his. In 1975, we began making 5-year budget projections. And the projected deficits based upon certain assumptions of income, revenue and expense, scared us considerably.

Beginning in 1978, my institution has taken a decrease in budget and budgeted positions each year over the last 4 years. We have increased total revenue, but inflation has outpaced that. Our energy costs between 1979 and 1981 went up 43 percent for the building.

Factors of that sort are very difficult to cope with in this economic situation. And, no, I would not say that we have been living in luxury. I would say that we have been facing realities. We have been trimming wherever possible. I know of many institutions that have gone to contracted services to relieve their budgets, contracted services for security, for maintenance of their buildings, which is less expensive than maintaining your own staff and benefits in that regard.

Mr. **Yates**. Is this the trend?

Mr. **Black**. It is the trend in many institutions, yes.

Mr. **Yates**. Does that offer the same kind of service that museums have offered in the past? Will outside contracting be able to provide that?

Mr. **Black**. I don't think we have enough of a track record yet. It concerns me a bit, particularly in the security area. In terms of maintenance of buildings, it may be very cost effective. In terms of security, I think we are still awaiting on that.

Mr. **Yates**. Did you want to say something?

Mr. **Starr**. Only to repeat that in "normal times" in earlier years, when pressures where not quite so intense, there was an insufficient number of staff members in quantity and variety to satisfy our basic obligations despite attention, constant attention to greater efficiency, greater amount of mechanization.

The current situation, as I have indicated, we are achieving our purposes, maintaining our modest programs at a minimal level, only by taking voluntary leave of absence without pay.

By that means, we can achieve our budget reductions, we can continue services relatively evenly, and not have to trouble anyone by layoff. I think we will not be able to go beyond this year without actually laying people off.

Mr. **Yates**. Mr. Black, how many services can you contract for? Obviously, this means if you are going to, if museums are going to turn to the contract services, they will be cutting payroll, cutting employees, wouldn't they?

Mr. **Black**. That is correct. And there are really only certain areas in which you can contract for services, and I think they basically are in the maintenance and security areas. You cannot contract for services in terms of collection management, in terms of your education programs, in terms of your exhibitions and research.

Mr. **Yates**. Why can't you do that?

Mr. **Black**. The professional community that is available to provide those services is eliminated. It is in terms of education, you might think you could contract a university, particularly a university museum to come in and do educational programs.

Well, I was the director of a university museum in Texas. There is an entirely different philosophy, approach, understanding, and background to the types of public education dealing with objects and material culture that goes on in a museum, and the types of education that goes on in a second-grade classroom.

So, if you try and turn that over to a college of education and university system, they are really not prepared to cope with it. That is a difficult situation.

Mr. **Starr**. We have, being very different from Craig's museum, as I indicated, his is 95-percent private funding, ours is the reverse, 95 percent public, we have the additional challenge, if I may call it that, of having to operate within the bounds of Civil Service and the American Federation of State, County and Municipal Employees, so that we have labor agreements that limit us in the amount of contractual services we can let out.

We consistently make effort to do that where it is feasible and does not adversely affect the integrity of the basic museum function. But we are limited in that way.

Mr. YATES. Thank you very much.

Mr. STARR. Thank you.

Mr. BLACK. Thank you, Mr. Chairman.

Mr. YATES. Mr. Black's letter to Mrs. Tower, dated April 23, may go into the record at this point.

[The letter follows:]

April 23, 1982

Mrs. Lilla Cummings Tower, Director
Institute of Museum Services
Room 326 H
200 Independence Avenue, SW
Washington, DC 20201

Dear Lilla:

I have continued to receive inquiries from museums around the country concerning the return of their applications. While I believe that I understand your position from the discussions that Larry and I had with you, I also believe that it is my duty to write and ask that you reconsider the action you have taken.

I understand there are several categories of applicants affected by your decision.

I would first of all like to raise a point that we discussed that applies to virtually all of the applications that have been returned. I believe that it is important to keep in mind that since the establishment of the Arts and the Humanities endowments and the Institute of Museum Services, these agencies have followed a policy of allowing applicants to correct minor deficiencies in their applications within a reasonable time after the filing deadline. This has included failure to attach forms or reports, or modest omissions in descriptive materials. In my more than 15 years of experience with these agencies, I believe that none of the staff involved believes that this has led to abuses or to museums taking advantage of this flexibility.

In asking that you reconsider your decision to disqualify applications, I think it is particularly important to keep in mind that the IMS 1982 deadline was moved to January 19 from the early March date of previous years. While this was needed to provide the Institute with additional time for processing applications, as I am sure you can appreciate, it came at a particularly hectic period of time for museums. Many were completing their fiscal years, winding up fundraising campaigns and responding to holiday obligations, consisting of programs at their museums as well as more personal commitments.

If you believe that IMS should enforce a more rigid policy, we urge that you announce this well ahead of the application deadline and not abruptly change the standard practice of the agency for many years.

As I mentioned to you at our meeting, I know of one instance, and since that time have heard of a number of others, where the applicant maintains that they included all of the information requested. I again urge that consideration be given to allowing these museums to submit the material. I believe that these claims are made in good faith. As I explained to you at our meeting, I have had first hand experience of parts or all of an application being misplaced by a granting agency. Some allowance should be made for the possibility of this happening at IMS.

Subsequent to our meeting, I have heard from several university museums that have had their applications returned for not including an audited financial statement. As I believe you know, the fiscal 1980 instructions provided that this requirement could be waived where "the museum cannot meet this requirement because it customarily does not receive audited financial statements separate from those of its parent organization." While I understand this did not appear on the 1981 or 1982 application instructions, the practice of granting a waiver was continued into 1981. I gather that this provision was inadvertently dropped in the 1981 and 1982 guidelines.

I believe strongly that to impose the burden of requiring a separate financial audit for a university museum would mean an unnecessary expenditure of the museum's funds and in some cases a conflict with university-wide policies. The institute can and should satisfy itself that the university museum is under stringent financial supervision and that its accounts are part of the over-all university's audit. I most sincerely hope that you will reconsider this decision.

A very special case is presented by that of the small museum. While many times a small museum can obtain a certified audit at substantially reduced rates as a contribution, that is not always the case. While AAM certainly encourages all museums to have certified audits, practical considerations often make this prohibitive for small museums. We urge that the institute adopt a policy requiring as a condition of a grant that a small museum obtain a certified audit covering the year applicable to the grant. This would permit the museum to use IMS grant funds to defray the costs of an audit and insure that IMS support was adequately accounted for. We feel that this would be reasonable and fair.

I was also concerned to learn that you have expressed to a rejected applicant the opinion that the maximum number of years a museum may receive a grant is four. I believe that the legislative history and policies of the National Museum Services Board are in fact all to the contrary. At our last meeting I know that you expressed concern on this issue. As I said then, I hoped this was something that we might have an opportunity to discuss in more detail at our next meeting.

I am in complete sympathy with the need to streamline the review process in light of the critical shortage of IMS staff. The disqualification of applications on the technical grounds that have been used does not seem to me to be an effective or equitable method of doing this.

We hope that you will consider amending the action you have taken regarding rejected applications until there can be more detailed consideration of the variety of issues raised. We strongly recommend that the museums involved be allowed to resubmit their applications for the normal review procedures. This would be done with the clear understanding that applications might be disqualified after some of the issues I've touched on can be reviewed more completely.

Larry Reger and I would be happy to discuss any of these points with you at your convenience. Because there has been considerable discussion of this matter within the field, we plan to run a story in our newsletter outlining what we understand to be the situation and the association's position.

Sincerely yours,

Craig C. Black
President

CCB:gw

WITNESSES

ELLSWORTH H. BROWN, DIRECTOR, CHICAGO HISTORICAL SOCIETY

SALLY CASLER, ASSISTANT DIRECTOR, BOISE GALLERY OF ART

HELMUTH J. NAUMER, EXECUTIVE DIRECTOR, SAN ANTONIO MUSEUM ASSOCIATION

Mr. YATES. All right, our next witnesses are Mr. Brown, Ms. Casler and Mr. Naumer. Your statements all may be made a part of the record, and we are very pleased to have you hear to testify. Who would like to begin?

Ms. CASLER. I will.

Mr. YATES. Go ahead, Ms. Casler.

Ms. CASLER. Thank you, Mr. Yates. I am Sally Casler, Assistant Director of Boise Gallery of Art in Boise, Idaho, and I am very grateful to be here this morning.

Mr. YATES. I didn't know Boise had a Gallery of Art. I thought they were all cowboys. Well, you have Remingtons there.

Ms. CASLER. Maybe. I am glad to be here today to discuss with you some of my concerns because I represent a very active regional museum. We have received a general operating support grant from IMS. The Boise Gallery of Art is 50 years old and is the only art museum in the State.

In addition, it serves a large geographic area outside of the State. In September 1980, the Boise Gallery of Art was awarded a general operating support grant of $35,000 from IMS which made an incredible difference in the manner and direction in which the gallery developed.

The award was timely, as the gallery at that time was building up a surge of growth and development prior to whether a statewide 1 percent tax initiative was passed. It was then being implemented. This implementation regulated in 50-percent reduction of the city of Boise's maintenance contribution to the Gallery.

Despite this blow, the Boise Gallery of Art has strong direction and sense of its potential and vitality. This was, by the way, enhanced by the IMS process of documented goals. Thus, when the award was made, the funding and mechanism was in place to locate and secure alternative funding.

Immediately, all services were extended and broadened, the staff enlarged by one position, a registrar position which was essential in maintaining our collections, and monitoring our loans and maintenance of our collections.

The accounting system was completely converted to a functionalized system, thus it made it much more efficient in reporting and documenting what was actually happening in respect to our programs and the money that we did have as income.

In addition, a stable professional staff was maintained, turnover was less. We had the same staff for a period of 2 to 3 years which is very significant in the museum field. The Boise Gallery of Art continued to be fiscally responsible.

It was in its fourth year of being in the black. We had projected budget deficits in those years, but we erased the deficit and made a little bit more. The program in the exhibition development became more refined, staff traveled more extensively. Thus, it became more valuable to its regional service programs.

All the goals and philosophical deals and purposes were followed and fulfilled. Also, the grant created an attitudinal shift within the Boise Gallery of Art. The board and staff were encouraged and convinced that the gallery was a viable asset to the region.

It made fund-raising much more easy in terms of convincing other people to contribute to the cause of the gallery.

The gallery also implemented new avenues of income and ways of saving money through an increased suggested donation. Staff consultation fees, our staff is becoming more professional and credible and we felt we could charge for some of those services.

We attempted to extend our exhibition length whenever possible. It would be disheartening if IMS were further reduced or eliminated for I have witnessed numerous positive effects that this program can spur only through general operating support.

The alternative methods suggested by the Administration are already being implemented at the Boise Gallery of Art. First, the value of volunteers cannot be overrated. We depend on 300 which are terrifically organized in providing financial stability and program support.

I strongly feel that museums in general are becoming very professional and that volunteers can be utilized effectively in conjunction with the consistency and stability of a professional staff and with professional procedures in museums.

For us to utilize more volunteers at the gallery would require the employment of a volunteer coordinator in order to maintain high levels of professionalism and accountability.

Secondly, in a State of individualism and resourcefulness such as Idaho, our legislature would not assume Federal responsibility. In addition, our State does not have an adequate mechanism to assume these duties. A State Arts Agency simply would not exist if it had to take on more Federal responsibility.

Thirdly, the base——

Mr. YATES. What does that mean when you say it would not exist if you had to take on more Federal responsibility?

Ms. CASLER. Well, I feel that this State government would not appropriate more monies in order to support those.

Mr. YATES. I see. If the Federal grants were eliminated, you don't think that the States would appropriate money to make up for that?

Ms. CASLER. Right, and I don't think that they would be willing to make the commitment to enlarge the staff large enough to develop, take on those responsibilities.

Mr. YATES. Right. I understand.

Ms. CASLER. Okay.

Thirdly, the basic support of the Boise Gallery of Art has always been of concern for years. It is already broad and only a handful of foundations and corporations exist in Idaho to which cultural institutions can appeal, not to say that that can't be developed a little bit more. But I will get to that later.

It is my opinion that for us to implement and refine these Administration suggestions of assuming the responsibility locally, increasing the volunteer force and to broaden the financial base, would require professional skills of a few more staff positions to ferret them out.

I feel it is already very well defined for the conditions that we have. I am a Westerner and I have chosen to work in a small regional cultural center. The assets of living there are sometimes liabilities but in my professional direction I must achieve a personal balance, too.

Idaho has a population of under 1 million. It is split geographically north and south, strides in education and accessibility are laborious. Conditions and responsibility are shared by neighboring States, or shared with them.

Our responsibilities go into northern Nevada and eastern Oregon and sometimes eastern Washington simply because there is a distance of 500 to 600 miles between major cities.

Cultural activities and art education are considered frivolous and dispensable. There is also a lot of lobbying——

Mr. YATES. Is that only in your State or Nevada and the other States, too?

Ms. CASLER. I don't know. I feel it a lot in Idaho. If the Federal Government continues to reduce its effectiveness with it goes a national forum for cultural activity and our cultural heritage.

Mr. YATES. I don't believe your art is frivolous, do you?

Ms. CASLER. No.

Mr. YATES. What is considered frivolous?

Ms. CASLER. Cultural activities and art and art education. Okay?

Mr. YATES. Okay.

Ms. CASLER. I can explain more if you like. I need to be assured that my heritage is continous and that the Federal Government commits itself to assisting at all times.

Mr. YATES. What about the Sagebrush Rebellion? Does that have anything to do with your gallery?

Ms. CASLER. It does in some ways, yes.

Mr. YATES. In what ways? You think about that and I will take the next statement.

Ms. CASLER. I will.

[The information follows:]

STATEMENT OF SALLY CASLER, ASSISTANT DIRECTOR, BOISE GALLERY OF ART

I am present today to convey my perspective of the economic conditions involved in maintaining and administering facilities and programs at the Boise Gallery of Art, an institution which is the only municipal visual arts center in the State of Idaho and has considerable regional impact and responsibility. Of extreme concern is the continuation of a strong Federal commitment to the cultural development and preservation throughout our nation by way of continued and unreduced funding of the Institute of Museum Services, the National Foundation on the Arts and the Humanities, and the four other agencies which provide assistance to cultural organizations.

For the 50 years of the Boise Gallery of Art's existence, the institution's primary concern has been to facilitate understanding and appreciation for the visual arts through its exhibitions and programming, and to integrate them into the cultural and educational environment of the community, whether in Boise, the State of Idaho, or the Western region. The Gallery is committed to conserving, developing and improving the State's visual arts resources, presenting the highest quality visual arts exhibitions to Idaho citizens, providing economic opportunities for visual artists of the State, and facilitating increased awareness that the visual arts are a basic human need.

Over the years, the Gallery has seen that its responsibility often extends beyond the state borders simply because of the geographical conditions and the sporatic, thin distribution of major cities in the West. In addition, recent tabulations reveal that 25-30% of the Gallery's audience is from out-of-state. Because of these conditions and the increasing visibility which the Boise community is receiving in the Northwest and the West, the Gallery is charged with providing programming that will attract both Boise and regional communities. Over the past several years, the Gallery has provided year-round exhibitions, evening interpretive programming, classes and media workshops, written educational materials, a viable volunteer Docent Program, teacher training, workshops for area school classes, portable exhibitions and slide presentations, financial opportunities for artists, major annual community events, a slide and book research library facility, public service education and staff consultation services.

In order to more adequately respond to and challenge such a wide, diverse audience (which has increased 10-15% each year in the last several years to total nearly 200,000 in 1981), the Gallery Board and Staff has pursued and become active participants in several museum associations as well as developed a number of coalitions, consortiums and ad hoc committees with State, regional and national arts organizations, museums and galleries. The purpose has been to maximize program dollars, to increase the quality (and quantity when possible) of programs and services, and to combine resources and expertise in the region. These efforts assure the formulation of specific goals to effectively manage services to the highest quality possible. The Idaho Commission on the Arts has been of prime influence in these endeavors as well.

Support of the Gallery has shifted considerably in the last decade. While actual comparison figures are not readily available, it is believed that this fluctuation has been brought about by a number of conditions including a fast growth spurt in Boise, increased service demands, enlargement of the physical site, and subsequent staff development. While certain areas of support have remained relatively consistent and proportionate to growth (such as membership and solicited contributions), governmental and Foundation grant support, unsolicited donations, program income and fund raising efforts by volunteers have increased. Decreases have occurred in the City's contribution due to the implementation of Idaho's 1% Property Tax Initiative (similar to the Jarvis-Gann Proposition #13 passed in California) which resulted in a 50% reduction in the City's commitment to maintainance and utilities for the Gallery site.

For Fiscal Year 1982-1983, the Boise Gallery of Art is projecting an income budget of $228,000, a 10% increase over FY81-82. Over the past several years, the Gallery has realized about 15-20% of its annual support from State and Federal arts and humanities sources. They have been program-oriented grants with exception of one award from the Institute of Museum Services for General Operation Support in 1980. At the present time, the Gallery has pending application with IMS-GOS and the National Endowment for the Arts Museum Program. Plans are to apply soon to the NEA for assistance in the expanded utilization of the Gallery's Permanent Collection.

All awarded grants have impacted the Gallery in quite positive, yet different ways. The NEA assisted greatly in the establishment and development of the Gallery's education department five years ago. Today, those functions are sustained by the Gallery. Other grants have provided seed monies for establishing a program so that it could become less dependant on public dollars, if not become self-sustaining within a few years.

The IMS Award in 1980 was a unique experience for the Gallery. When the proposal was prepared earlier that year, the Gallery was in a very critical position of growth; sensing its potential and vitality, but not having the solid financial base to more fully demonstrate itself. The IMS application process and requirements further enhanced the preparatory steps for a more visible confidence and outward demonstration of the Gallery's purposes and goals. Thus, when the $35,000 grant was awarded, the mechanism was in place for immediate and effective utilization of those funds. Because of set forth goals in the areas of facilities and equipment, operation and program budgets, policy, publicity and public relations, and development of future programs, certain procedures were smoothly enacted.

All services were continued with some being extended or broadened. Exhibition development and research improved because of some funding latitude to pay costs of preparation and presentation. The staff enlarged with the addition of a Registrar position. This step committed the Gallery to completing all record development and maintenance, monitoring of the Permanent Collection and all works on loan, and the completing the scheduled and already funded renovation of the art storage vault. An additional commitment was made to completely convert the Gallery's accounting to a functionalized system in order to more effectively record and report on grants, contributions, other support funds, and their related expension. The first year goals were systematically accomplished with work begun on subsequent ones. In this same year, staff members, in addition to the Director, were able to travel on a restricted basis to conferences outside the State which were pertinent to their field, thus increasing their value within the Gallery's service areas.

The IMS funding assured the continuation of a competent, efficient and professional staff, a fiscally responsible institution, the maintenance and strengthening of present services, and the increased development of quality exhibitions, programs and activities for the enrichment of the audience of Idaho and for the economic stability of the artists of the State. At this same time, the 1% Initiative was being implemented. Therefore, the grant provided timely latitude for location of funds and redistribution of available funds. While many of the improvements and changes occurred in administrative areas, they ultimately and positively affected the ways in which visitors were encouraged and involved months later.

Overall, but in less tangible ways, an incredible attitudinal change occurred with the Gallery. The Staff remained stable and the physical appearance of the building improved. As a result of these elements, it is believed that the responses to the Gallery programs and services increased and became more enthusiastic. The Boise Gallery has become recognized and set apart from most Western public museums with comparable budget levels and staff sizes. A substantial part of the credit can be attributed to the opportune award of the IMS grant.

Should this year's IMS grant not be awarded, the Gallery has several options, but it would result in the scaling down of some aspects, whether it be in the areas of administration and management, the professional staff, accessibility, programming, services, or population served.

Despite unfavorable response, the present Administration seems intent on reducing the Federal government's involvement and encouragement of cultural development and preservation, and placing that responsibility on the individual and corporations. State government, much less the private contributor and participant, does not have these abilities or mechanisms for upholding these responsibilities. Idaho legislators, for example, are likely not to accept such duties and cannot be expected to be held accountable. In very basic terms, a State Arts Agency would not exist in Idaho.

The present economic condition in Idaho is greatly depressed and unemployment threatens to increase. The Pacific Northwest is one of the hardest hit regions in the United States, and Boise, the headquarters for a number of national corporations, cannot withstand much more downward economic pressure. Reports from corporate contributions departments indicate that budgets are being cut -

some as much as 50% on a national level. Patrons may continue a previous commitment to specific cultural organizations, but are likely not to increase levels of contributions or include other agencies which have not previously been considered in their individual giving programs. The President of the Beaux Arts Societe, the Gallery's volunteer auxiliary, recently reported to members in a newsletter that, "...we also felt the effects of the downward economy in that it was necessary to cancel an on-going fund raiser and a new fund raiser. Fund raising in Boise is becoming extremely competitive as the available dollar is decreasing. One of our alternatives is to decrease the number of fund raisers and concentrate our efforts in doing a 'bang-up' job on the ones we have."

In theory, perhaps the 1% Tax Initiative would have enabled Idaho citizens to increase their contributions, solicited or unsolicted, and perhaps with the Administration's new economic policy and tax package donors would give more freely because more earned income would be returned directly to them. In reality, few counted on a lasting recession, and few citizens and corporations have integrated the support of the nation's culture into their giving patterns without the support also being initiated and endorsed on a continuous basis by the Federal government.

Other concerns revolve around the difficult evaluations which institutions are having to make between survival, services and programs due to continued financial constraints and increased demands. In many cases, to diminish or eliminate one aspect of an institution's efforts will greatly jeopardize its responsibility to the public, a significant factor in the support base of most museums. In addition, if continued withdrawal of Federal dollars occurs, the purchasing power of the remaining dollars will lose strength. Decisions for distribution of remaining funds could center around the issue of a dollar's most efficient, immediate use rather than its effective, long-term benefit to the nation's cultural heritage.

Of concern, aside from the financial consequences, is the loss of a nationwide cultural community which has been developed and honed over a period of many years. A lifeblood network for communication, sharing and interaction would break down. A base of standards, checks and balances, and welcome dialog would cease, thus leaving institutions existing in a vacuum without a sense of being part of the national whole.

Mr. BROWN. I am Ellsworth Brown, ex-Director of the Chicago Historical Society.

Mr. YATES. I have heard of you.

Mr. BROWN. I vote for you.

Mr. YATES. Well, thank you very much.

Mr. BROWN. I represent what I think is a fiscally healthy institution, and yet we have the same kinds of concerns that everyone else has.

I read, because of that, I think, with some dismay, Mrs. Tower's testimony on May 10 in which she argued that museums should return to local support.

Our institution regularly, every year, offsets our annual operating budget deficit of $500,000 by going to sources of local support.

I can say it is essential and we have never abandoned that source. We seek it from private and foundation sources, corporate sources. We begin to find changes of attitudes among those people. Some foundation representatives are saying candidly that when hospitals need more money, people are hungry and social programs are cut, they find it very hard to establish a rationale for funding, let alone increasing funding for institutions such as ours.

Corporations in some cases now are looking for more bang for the bucks. Instead of giving us money for operating support they are asking us if we can't find a special project for them which is really a limiting factor.

Mr. Starr referred to the fact people like to buy flashy things. General operating support is not one of those things. But even if those sources of funding remain stable, and in our case they may at least do that, the picture is not entirely happy. For example, as you well know, the State of Illinois 2 years ago provided a line item appropriation of $1.5 million for museums on public land. $1.3 million of that came to Chicago land institutions.

In 1981, that figure was cut by one-third and, as you know, Governor Thompson recommended that it be eliminated from the 1983 budget. If that suggests the kind of local support Mrs. Tower hopes we will find, I am going to be very discouraged about the picture.

Mr. YATES. You will have to add that kind of treatment to your history, won't you?

Mr. BROWN. Indeed, we shall.

I can provide examples of what we at least could use institute money for. I suppose——

Mr. YATES. Have you received grants from IMS?

Mr. BROWN. We have. I received one which is in Tennessee and the Chicago Historical Society received one a couple of years ago. I am sure in terms of specific uses that you read the Chicago Tribune, for example.

Mr. YATES. I do.

Mr. BROWN. We save those papers after you throw them out. I have a room full of those now. If I want to recapture the kind of space that occupies, 6 feet high, 25 by 30 feet, I need $50,000 to replace them with my microfilms.

We had to assume the cost of self-insurance for employees because of the fantastic rate jump we were experiencing in commercial insurance.

The exhibits which we do cost $150 per square foot, conservatively speaking. Since we relied on Federal monies that have been diminished and may be diminished in the future, we are having to either divert funds, reduce operations or seek new money elsewhere.

As a matter of fact, because we have to seek new monies, because the ante is up, because it is harder to find funds, we have had to add another person to our development office who will be running a group called the Historical Alliance which, frankly, was established to respond to the increased demands of corporations for attention in return for their funds.

In fact, if you assume, Mr. Chairman, that an average annual gift from an individual or corporation might be $2,500 for the sake of argument, in order to replace lost State funds, in order to provide a modest 5 percent raise for our employees, and in order to pay for the new development officers' salaries and benefits, we have to find in the coming year, just to maintain our operation, 49 new donors at $2,500 each. That is a lot of people.

Mr. YATES. That is a big donation, isn't it?

Mr. BROWN. That is not really an inflationary figure. That is a lot of people to find in these times.

Mr. YATES. I had the impression that a $2,500 donation is a rather substantial figure.

Mr. BROWN. That is a generous figure. I am conservative in that respect.

Mr. YATES. I know from your statement, too, that the paragraph saying Mrs. Tower suggests the current low rate of inflation, 3.5 percent, is the Administration's answer to your need for funds.

We all appreciate the significance of this figure, although someone is not getting the message. Commonwealth Edison has just been granted a 7.9 percent increase by the Illinois Commerce Commission. This suggestion fails to take into account the ordinary development of museums. Utilities are all going up, aren't they?

Mr. BROWN. Indeed. In our particular case we received a grant and managed to hold the line at 4 percent for the past year, utility increase somewhat below the cost of inflation.

However, that is a one-time dent in the picture. I am sure that it will continue to climb now at a parallel rate. That is a substantial figure.

We have developed a figure, charts for all of the institutions in Chicago that share public land. Most of them run from 15 to 30 percent over the last 2 or 3 years.

Mr. YATES. Have you filed an application for funding with IMS?

Mr. BROWN. Yes, I have.

Mr. YATES. Was yours rejected or approved?

Mr. BROWN. It was approved. Accepted, at least.

Mr. YATES. You must have attached a financial statement.

Mr. BROWN. We attached a financial statement.

Mr. YATES. And that was acceptable?

Mr. BROWN. Yes. On the other hand, we are a fairly standard institution as far as our governing authority and organization is concerned. It was easy for us to do that.

Mr. YATES. It was?

Mr. **Brown**. Yes.

Mr. **Yates**. How do you account for the fact that the others were rejected?

Mr. **Brown**. I don't know. I have heard the testimony. I think that the others are probably more able than I to speak to that.

Mr. **Yates**. To explain that. Go ahead, Mr. Brown.

Mr. **Brown**. All right.

Mr. **Yates**. I should talk to the rejectees rather than the acceptees.

Mr. **Brown**. Indeed, although I must say I have never heard of things being rejected in the past. My knowledge ends at that point but I concur in that respect. If we were to receive IMS funds in the fiscal year since our grant has been received by the Government, I think that the money, this particular time around, would be probably the critical difference between our ability to computerize or not computerize functions such as word processing, budgeting and accounting.

Our development program is already on the computer. What that provides me, particularly in difficult times, is something very necessary. Better budgetary controls, better fiscal management, long-range benefits, including a pay-back of about 4 years against the cost of money we are spending now for leased services. It is a good investment.

I don't know yet whether we will have the cash flow to do that without some kind of boost in the income which we receive. We are in our 126th year. You know we just celebrated our anniversary last year and we hold one of the Nation's largest collections devoted to a single city. Yet, that is not a provincial collection. That collection has keystones such as the Lincoln collection, to name one, which are part of the national heritage.

I think that that actually suggests the kinds of Federal responsibilities that are related to what local operations like ours are doing.

Insofar as local support is concerned, local support is, I think, long acknowledged the merits of a sound historical perspective. Local supporters have long done their part.

It is not a matter of coming back to sources of local funding. We are already there. I think the real question is will the Federal Government continue to do its share?

That ends my statement.

[The statement of Mr. Brown follows:]

STATEMENT OF ELLSWORTH H. BROWN, DIRECTOR, CHICAGO HISTORICAL SOCIETY

My name is Ellsworth Brown. I am the Director of the Chicago Historical Society, an institution with which the Chairman is quite familiar. I am here today to speak in support of fiscal year 1983 funding of the Institute of Museum Services, although I want to first acknowledge the debt which cultural institutions owe to Chairman Yates for his long advocacy of federal support for the arts and the humanities.

I speak from the perspective of one who serves a medium-large institution which is located in a major urban center and which must share the limelight and available local support with a number of substantial museums. I also speak as one who represents a relatively healthy institution, and yet one which still finds itself beleaguered and in need of the kind of assistance available from the Institute of Museum Services. Indeed, given our own serious needs, it is difficult to imagine the depth of desperation in which others must find themselves. Finally, though not incidentally, I speak as one from your district, Mr. Chairman.

There is no need to recite the litany of past and proposed cuts in federal programs, nor is there the need to list the solid contributions and particular stories of success which result from the Institute's four years of grant-making.

It is important, however, to place my testimony in the context of the cumulative impact of federal, state, and local budget cuts and reductions in revenue. The extent of this impact cannot be measured merely by the health of the National Endowments, the National Historic Publications and Records Commission, or the Institute of Museum Services, for example. Rather, reductions in social programs and aid across the board have a dramatic impact on the attitudes exhibited by local funding sources for museums; and the state of the economy itself extracts a toll too well known.

I read with dismay the testimony which Lilla Tower gave before this subcommittee on May 10th, in which she argued that museums should "return" to local support for funding previously supplied by the Institute. As one whose institution's budget regularly offsets a 25% budget deficit by appealing to local support, I can say that local support is essential and that in fact museums have never abandoned this substantial source of money. Rather, we have found that despite generous help from the community in which we operate, local support is insufficient to meet continuing needs--let alone those caused by inflation and heightened expectations.

To add to its earned and investment income, the Chicago Historical Society received operating support from the total spectrum of aid: federal, state, municipal, private, corporate, and foundations. Concerning the last three, foundations and individuals provide by far the largest sources of income for us. Corporations rank third and are generally the most demanding of us in exchange for their funds.

There are limits to what can be received from private, corporate, and foundation giving. All three sources feel the impact of the present economic climate. As a result, within the past two months several foundations have told me candidly that when people are hungry and hospitals desperately need funds, it becomes hard to justify the maintenance, let alone the increase, of funding to museums. Corporations are no longer content to supply general operating support. Instead, many want "more bang for the bucks" and are increasingly asking what they will receive in return for a donation, what kind of visibility a special project might bring them, as if they were purchasing advertising.

Let us be optimistic for awhile, however, and assume that private, corporate, and foundation support will remain level. Still, the scenario does not look happy. In your state of Illinois, Mr. Chairman, $1.5 million of state support for museums on public land--support which included $53,000 for my Society and a total of $1.3 million for Chicagoland institutions--was reduced in fiscal year 1981 to $1 million and was eliminated from Governor Thompson's 1983 budget. Is this the measure of support that Mrs. Tower suggests we will find if the federal government removes itself from the scene?

Mrs. Tower suggests that the current low rate of inflation (3.5%) is the Administration's answer to our need for funds. We all appreciate the significance of this figure, although someone is not getting the message: Commonwealth Edison was just granted a 7.9% rate increase by the state's Public Service Commission. And this suggestion fails to take into account the ordinary development of museums.

For example, Mr. Chairman, I am sure that you read the Chicago Tribune and, when you have to, the Sun-Times. Afterward, you throw them out, saving the important clippings. The Historical Society saves not only the clippings after you or someone else has lost interest in the scrapbooks, but also the newspapers--all of them, including every one of Chicago's foreign language papers. Eventually we fill a room about 25' x 30' six feet high with these papers. They can be replaced by microfilms at a great economy of space, but at a cost of $50,000.

There are other inescapable costs too. A raise of 1% for our 95 or so employees requires us to find $10,000 in new money. Last year we assumed the risk of self-insurance for employees' health benefits because of a 40% jump in our commercial insurance premiums. Exhibits of substance cost a minimum of $150 per square foot to produce, and since we often relied on now-decreased federal grant sources for them, we must find the money elsewhere by reducing operations or diverting money, or by seeking still more new funds from local sources. And since raising steady and new funds requires more work, we have had to add another person to our development office (thus diminishing the new sources of funds required to replace potential Institute of Museum Services funding.

If we assume that an average contribution from a corporate or private source is $2,500 per year--a very generous figure--some startling facts emerge. To replace the loss of one year's Institute of Museum Services funding, an institution must find 14 new donors. To replace lost state funds, the Historical Society must locate another 21 contributors; for a 5% raise for employees, 20; for the new development officer, 8.

To fall back on increased local support can mean that the Chicago Historical Society alone will have to find 63 new donors of $2,500 each in the coming year without hypothetical Institute support.

Even with an Institute grant, we would have to find 49 such donors just to keep on doing business as usual!

The Institute can thus have a substantial impact, even on a sound organization such as ours. A grant of $35,000 can keep the doors of the Society open for 5½ days, or it can pay for the development officer who is needed to find the 49 other donors. It can allow a museum to divert some operating funds to special projects.

If the Historical Society were to receive IMS funds in this fiscal year, the money might become the critical difference in our ability to computerize such functions as word processing, budgeting, accounting, and the search for graphic images in our collections. The short-term benefits include the better budgetary controls and more precise fiscal management especially required in difficult times. The long-term benefit would be a four-year payback against the present cost of our leased computer development service.

I agree with Mrs. Tower that "serious choices must be faced in allocating federal resources;" we face one here. And museums are "an essential part of the economic fabric and vitality of our country."

The Chicago Historical Society is itself in its 126th year and holds one of the nation's largest collections devoted to a single city. But that collection is not provincial. Rather, it represents keystones in the national heritage and suggests federal responsibilities which must be recognized.

Local supporters have long acknowledged the merit of a sound historical perspective and the preservation of the material culture which reinforces it. Local supporters have long done their part. The question is, will the federal government continue to do its share too?

Mr. YATES. Thank you, Mr. Brown.

Mr. Naumer.

Mr. NAUMER. I am the Executive Director of the San Antonio Museum Association, which is three museums including a museum of transportation, a sizeable institution; including the Witte Museum; and an art museum. It is very new; Time magazine called it one of the best architectural statements in 1981 which pleased us no end.

All three institutions are separately located. They are about a total of 200,000 square feet.

Mr. YATES. How do you happen to have a museum of transportation?

Mr. NAUMER. Because Texans like cars. We do have a trolley that is about to run again and a few other things as such.

Mr. YATES. You must have lots of cars in Texas.

Mr. NAUMER. Yes, we have quite a few that are actually fascinating vehicles. But, anyway, we have an annual operating budget of about $2.7 million a year to operate these three museums.

As you know, San Antonio is a little bit southwest of Houston. About 150 miles from Mexico. We have an official Hispanic population of 56 percent. Unofficially it is about 65 percent.

We are in an unusual predicament in that much of the population is a long way from nowhere in some respects. The museums are the only door, really, to the outside world.

In San Antonio, which is, again, a city of about a million people, we get about half a million people coming through those three museums which is considerable.

Our operating costs are running at $8.10 per person. You say that is quite expensive but museums are expensive to operate. National average, the best I can figure, it is about $10.50. Some cost as much as $30 in order to operate, because of the collections, we talked earlier about utilities.

Our art museum, for instance, runs $20,000 a month just to heat and cool and humidify that particular building, which sounds excessive in some respects but it is not. It is the only way we can preserve the material that we have that is our responsibility to preserve.

We have been told that we have to rely on the private sector and we have been doing that. Interestingly enough, I think that if business in this country were to have to operate as museums are going to have to operate and go to a number of different funding sources, I am not sure they could stay in business simply because in San Antonio, I have 10 different sources of revenue.

They are all different, requiring different budgeting processes, different forms, different approaches, different times of the year, sometimes all together.

It is very complex. It is easy for people to say we should get that from the private sector. It comes from all sources. Museums are extremely good at securing them from all sources and have been very good at it.

However, as you have heard, and it is becoming almost a cliche, the business is that the private-sector money usually wants to buy things. They are not as interested in paying the utility bill.

Mr. **Yates**. They would have to really. They owe a responsibility to their shareholders and they have to show a relationship between their gifts and the benefits the corporation receives.

Mr. **Naumer**. Correct. And we understand that.

Mr. **Yates**. Sure. But the fact still remains that you do have basic overhead items that have to be paid for that the corporations don't want to pay.

Mr. **Naumer**. That's right. We have been rather innovative. As an example, in San Antonio, we worked a little arrangement with a Fortune 500 company, American Express, to underwrite one of our programs and they paid for the publicity, we supervised it and everything they did in tying American Express and the museums together. Of course, we ended up in the long run getting $40,000 from American Express by doing that as a joint partnership. That means we are innovative, we are looking at ways to find things to do that.

Some corporations, on the other hand, become very possessive and want to take over the whole business and that becomes a bit of a problem.

We are also hearing that we need to go to municipalities, State governments and that kind of thing for funding.

We all, certainly here, are aware of the problems there. We have a particular situation where we have had to close our museums for 2 days a week in order to keep operating them at quality.

Mr. **Yates**. I had the impression your city was one of the outstanding ones in the country as far as offering historical preservation.

Mr. **Naumer**. We are.

Mr. **Yates**. Art.

Mr. **Naumer**. We are.

Mr. **Yates**. Humanities.

Mr. **Naumer**. We are. It is just that operating money—you know, we build buildings down there and we preserve those buildings, but somebody has to keep them operating.

For some unknown reason, it is not necessarily that. As with all municipalities, there is a great deal of politics that occurs.

In our situation, we have a community that is just a very, very difficult area and we got severely hurt through a political situation this year where, in order to maintain our quality, we had to close. We had to lay off 15 people.

Mr. **Yates**. I don't understand that. What kind of political situation are you talking about?

Mr. **Naumer**. We had a couple city councilmen who decided they were going to control the budget, aside from the mayor.

Mr. **Yates**. Are your museums city museums?

Mr. **Naumer**. Yes, they are. I should have mentioned that.

Mr. **Yates**. They are public museums?

Mr. **Naumer**. Yes, they are totally public. Our funding comes, basically we split it up, a third from the city, a third from proceeds, which is a door charge or any other way we can do it, which is a variety of ways, and a third——

Mr. **Yates**. Bingo?

Mr. **Naumer** [continuing]. A third from the general community.

No, bingo is not legal yet in Texas. But any way, because of the local politics and what have you, we had to literally close down the museums 2 days a week.

The only thing that hurt was the public, which sorely complained about it. The news media became very supporting, but it still didn't change the situation.

So we are short in funding $250,000 just like that, and there was no way to continue operating and still maintain quality.

That is the important thing. You can keep the museum open and let everything fall apart and it doesn't make any difference except to those people who know that that is the responsibility that museums have for everyone in this country.

We also heard the business about being more self-supporting. Those people who suggest that, I agree with them and I think we should be more self-supporting. We have been rather innovative.

We have been frugal and we certainly in the museum business have become much better managers.

In my 23 years as director, I have seen tremendous change in how we have learned to manage what we have and stretch it much further.

But there are limits to what we can do in being self-supporting. I cannot go ahead and charge the community $8.10, there are some people, obviously, that would pay it.

Mr. YATES. Not many, though.

Mr. NAUMER. But there are a tremendous number who cannot afford that kind of money.

We also hear the business we need more volunteers. We do in some respects. Yet I have 400 in the association and those 400 require two staff members to make sure that the scheduling is all done and if I cut it to 200, then it would only be one staff member, but somebody has to pay that member's salary basically.

It is an unending cycle that we get involved in.

Mr. YATES. Are you required to file a financial statement?

Mr. NAUMER. Absolutely.

Mr. YATES. As a city museum, don't you have some difficulty with that?

Mr. NAUMER. The way our setup is, which is a little bit different, although there are many, many museums set up like ours, we have the San Antonio Museum Association which owns the collections and the movable objects, if you like, the typewriters and everything, the collections.

The association owns that, raised the money to go ahead and operate the museums. But the city owns the buildings.

Now, the city owns the San Antonio and Witte Museum and the Transportation Museum, not the Art Museum.

Mr. YATES. It owns the building for the Art Museum?

Mr. NAUMER. No, it does not, the association owns the building for the Art Museum because we built that without the city.

Mr. YATES. Is this the same that owns the typewriters and other objects?

Mr. NAUMER. That's correct. Same association. Yes. We found it very efficient, as a matter of fact.

If we were operating all three museums independently, costs would be at least two-thirds more.

Mr. Yates. I was just thinking as you testified that I wondered as to whether savings could be achieved by having the same board running all three museums or not.

Apparently you are doing that.

Mr. Naumer. That's right. We have a central staff that services all three museums in business, maintenance, exhibits, education, PR or anything like that.

Those all service each one of the museums. The museums basically have only the curators and the directors of the museums and the rest of the staff come from a central servicing staff.

Otherwise, we could not afford to operate the three museums. We would be shutting them down and not be giving service to that half million people a year. We get IMS support. We have had it every year that they have existed.

Mr. Yates. I would be surprised if you get it this year.

Mr. Naumer. Well, it might well be.

In a budget of $2.7 million, you might say, well, why is $35,000 very important? That $35,000 gives us that little extra in operating support to provide some more information in an exhibit that is very badly needed; to see to it that certain collections are catalogued and on and on and on. Things we could not do which improve the quality of the museums.

The most important thing, I think, is that it is almost a stamp of approval, particularly in places as far away as San Antonio. When you get a Federal grant, it is usually one that is reviewed by your colleagues and what have you, and it says to the community that you have met certain standards to some degree and that is very positive.

As far as our funding from NEA or NEH and their matching ability and what have you, it's made us not only better managers, but we get support.

In other words, we go ahead and ask for money to match and that helps us tremendously. So it is very, very important that we continue some kind of funding.

I don't think that Federal funding is, nor should it be, considered the only answer to museums and museum funding.

Mr. Yates. It isn't, obviously, if they only make up 1 percent of your funds.

Mr. Naumer. But I think it is a very important part of this national cultural heritage that we have. It gives us a certain, as I stated, sense of pride when we get a grant.

Mr. Yates. How badly would you be hurt if the Administration's budget structure is approved by the Congress and no funds are provided for IMS? What would that do to you?

Mr. Naumer. I think it would cause our quality of what we are giving and what we are giving to San Antonio to be hurt. You would see us drop down, I believe. One of the things I have seen in the last 8 years or so with the Federal funding being involved with museums is that the quality of exhibitions across the country are appreciably better.

The quality of the programs that we have, classes, lectures, are appreciably better. Not just because there was Federal funding or that it paid for it, I don't think that is the case.

I think it was because there was an incentive there to do a better job and I think that philosophically it will hurt us in the long run if we don't have this kind of Federal funding and support that is necessary because it is more than just the dollars in my opinion.

Again, $35,000 against a $2.7 million budget doesn't mean we will close the doors. It would be silly to say that.

But it does give us an incentive to do a better job at what we are doing.

Mr. **Yates**. Why?

Mr. **Naumer**. Because there are certain controls that are put on those funds, there are certain things that museums must go ahead and fulfill in order to do it.

You put together a grant application for one of the endowments, for insurance you have to go through a specific process that causes you to see to it that you are operating within certain spheres.

I am not interested in total control of that, but it has helped us in my opinion considerably.

As I say, I have seen the exhibitions really improve, programs really improve. I think museums in general improve.

It is not because we have an awful lot more money than we have had because inflation has eaten it up.

We are certainly not living, as you asked earlier——

Mr. **Yates**. In luxury?

Mr. **Naumer** [continuing]. In luxury. We are not. All you have to do is review museum salaries and you will find out quick that we all ought to go to be steelworkers or something.

Thank you very much.

[The statement of Mr. Naumer follows:]

STATEMENT OF HELMUTH J. NAUMER, EXECUTIVE DIRECTOR, SAN ANTONIO MUSEUM ASSOCIATION

Good morning!

I am Helmuth J. Naumer, Executive Director of the San Antonio Museum Association, an organization of three entirely different museums all governed by a single Board of Trustees. The museums are the Witte Memorial Museum (history and natural history), the Museum of Transportation, and the new Museum of Art. The museums are housed in three separate buildings of nearly 200,000 sq. ft. providing museum services for the 10th largest city in this nation.

I come before you to discuss a major problem that faces all museums across this country and particularly the institutions that I direct - it is funding for day-to-day operations.

As you know, museums in this country are a major source of pleasure, education and often the only affordable entertainment for some 320 million people each year. In San Antonio, a city southwest of Houston with a 56% official Hispanic population, the museums are often the only source of the real objects of the rest of the world. However, the nearly 500,000 people who use the Association's museums cannot afford all of the $8.10 per head cost of daily operations and other sources of revenue must be found to augment these costs.

We have been told we must rely more on the private sector and we agree, except the private sector has traditionally provided the majority of funding to museums and as yet there is still a specific difference in private sector giving. These donors traditionally give for the purchase of objects, build buildings or fund only visible programs such as a major exhibit or a famous lecturer. Few want to pay utilities, security, conserve an important but second line painting or pay the curator's salary to do research on a cave dweller in the Lower Pecos Valley. So until an attitude change in the private sector is affected, funding will probably continue to build museums but not operate them.

Some of us fortunately secure operating funds from our municipalities and these sources often understand the need of daily operating funds. However, their problems seem to advance faster than ours with the ever-increasing emphasis on more police and fire protection as well as sewage and water problems. City Councils always listen to these needs first, thus the funding for museum operations often comes out a poor fifth. Also, municipalities are governed by politics and museums are often not experienced in that arena. As an example, the San Antonio Museum Association last year made a valid and reasonable request to the City of San Antonio for operating funds (the museums are City owned), but because of Council politics the request was cut far short of basics. Thus, the museums were forced to close to the public two days per week. The losers were the public and the collections.

All of us in the museum profession want to be more self supporting and most of us have become more innovative, frugal and better managers; however, that only makes a small dent in the needs of museums to preserve the collections and provide the ever expanding requests for programs and exhibits.

Often I have heard it said by donors, city officials, and foundations, "Helmuth, we are sympathetic, but frankly we cannot afford your success." However, few of these individuals are on the firing line of daily requests for special exhibits and object identification, or feel the unhappiness of a parent or child when a museum class is full.

So we have a great dilemma. How do we continue to preserve man's cultural heritage for the nation, share it with the people it belongs to, and continue to provide the museum services everyone seems to expect? A partial solution, in my opinion, is for the Federal Government to continue to give local communities the incentive to provide daily operating funds through organizations such as the Institute of Museum Services and the Endowments. As an example, operating funds received from IMS by all the museums that I have directed have caused an extra incentive for quality that has strengthened the programs and exhibits by allowing us to better maintain the collections or provide more accurate information for exhibit labels, and so on. NEA and NEH on the other hand, with their matching requirements, have given us an important fund-raising tool as well as improved our over-all, long-range planning process. It is my opinion that these agencies, despite their limited funds, are directly responsible for upgrading, over the last 10 years, not only museum exhibits and programs, but their administrative processes.

Federal funding is not, nor should it be, considered the only answer to the museum funding crisis. However, it must be an important part of the solution because there is a national obligation to preserve our heritage and provide everyone the opportunity to enjoy it.

Mr. YATES. Thank you very much.

Thank you, Mr. Brown. See you on July 4.

Thank you very much, Ms. Casler.

Ms. CASLER. Thank you.

Mr. BROWN. Thank you, Mr. Chairman.

Mr. YATES. Mr. Ainslie.

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MONDAY, MAY 17, 1982.

INSTITUTE OF MUSEUM SERVICES
THE NATIONAL ENDOWMENT FOR THE ARTS
NATIONAL ENDOWMENT FOR THE HUMANITIES

WITNESS

MICHAEL L. AINSLIE, PRESIDENT, NATIONAL TRUST FOR HISTORIC PRESERVATION

Mr. AINSLIE. Good morning, Mr. Chairman.

Mr. YATES. Your statement will be made a part of the record.

Mr. AINSLIE. I would like to thank you for waiving your normal procedure of having us testify three separate days and let me comment on both the Arts and Humanities Endowments and the IMS.

If I might highlight my testimony, as you know, the programs that I am discussing today and supporting are catalysts for positive spontaneous expressions of our cultural identity in this country. They have had enormous positive value throughout the country, and we feel that continued support for the National Endowment for the Arts, National Endowment for the Humanities, and the Institute of Museum Services is terribly important to continue the enjoyment of the public for cultural resources and for planning for the future preservation of these resources.

As you know, the National Trust preserves many important historic resources and we were here just a few months ago in March, 2 months ago to ask your continued support for the Historic Preservation Fund. So you might ask, and certainly others might ask: Why are we back supporting other funding for historic preservation in another method?

Well, I first would answer by saying that as you well know, the funding for the Historic Preservation Fund has gone from $60 million in 1979 to $25.4 million in 1982. We don't know what it will be for next year but it is proposed to be totally eliminated by the Administration. So, first of all, the funding has been significantly declining for our cultural resources at least as is represented through the Historic Preservation Fund.

But, secondly, and I think more importantly, that fund is used for the core activities of our organization, the National Trust, our educational and outreach programs, and the operation of our some 15 house museums. It is also used by the States for administering the National Register in carrying out the legally mandated programs called for by the Congress. So that many initiatives that are needed and naturally grow out of the effort to expand national understanding and comprehension of our heritage need funding from other sources

I would like to give just two or three examples of ways in which each of these three organizations have assisted in this way.

The Institute for Museum Services, it may surprise you, gives 36 percent of its grants—at least in this last year—$2.6 million of its grants for general operating funds went to either history or historic house museums. This is the largest single category of grants, $2.6 million.

It has had an enormous amount to do with the success in these programs being the catalyst for a broader understanding of the need for preservation in a community at large. So that house museums in our view are very much of an integral part of an expanded view of preservation. They are not as sometimes stereotyped, being antiquated museums, no longer relevant. That is simply not the case. They are part of a broader educational movement which begins with children in grade school and continues through docents working into their later years.

A second or an example of the way the IMS worked with the National Trust, we received a museum assessment grant in the recent past for four of our museum properties. That very small grant of $2,400 enabled us to take a hard look and forced us to take a look at the way we run Decatur House, Cliveden, the Shadows on the Teche, and Woodlawn Plantation. It had something to do with Decatur House, our determining we needed to generate additional income from uses of that property, and I am pleased to tell you that last week the National Trust received a $500,000 gift from a private donor who will remain anonymous, to convert the carriage house at Decatur House to a facility for conferences and catered functions which indirectly provides an endowment that will now make the Decatur House independent of needs for our funding from either the Trust or the Federal Government. This is the way in which a small catalytic grant can work.

Another, and I think even more exciting example, is that of the Nebraska Historical Society, one of our member organizations. We have some 2,600 member organizations of the National Trust. They used an IMS grant to survey their 40 museum properties throughout the State to determine the appropriate landscaping that was needed for each of those properties and was proper given its time of construction.

Now, having developed that plan, they have the DAR, local garden clubs, other private organizations all over the State participating with the society to restore those grounds and gardens to their appropriate original condition.

In closing my comments on IMS, I applaud your rejection of the rescission of this year's funds, and we support continued funding of at least this year's level of $11.5 million.

The National Endowment for the Arts has provided significant support, particularly through its design arch program, which is a very small component, only $4.3 million in this current fiscal year. The programs have ranged from reuse of national landmarks to waterfront rehabilitation, neighborhood conservation, grants to focus local activities, particularly that of local government, which has frequently been the last to learn about preservation.

I brought you a little reading material this morning. One of the most important grants, again a small one that the NEA made, was to the city of Oakland, California, to produce a book called "Rehabilitation Right," a book now a standard in all of California, with appropriate rehabilitation techniques for the types of buildings that are present in Oakland and throughout California. That not only is used throughout the State but it is a model for other regional and statewide publications that, again, address the appropriate rehabilitation techniques.

The National Trust has also gone to the National Endowment for the Arts. Some years ago, about 4 years ago the NEA gave a $34,000 grant to begin the Neighborhood Conservation Office of the National Trust. That office has now expanded its programs into not only a newsletter—which I give you as your second tome—"Conserve Neighborhood" newsletter, which is published every 2 months and now is read by over 4,500 neighborhood organizations, helping them learn how to organize, how to raise money, how to combat arson in their communities, how to identify historic properties, et cetera.

They represent some 2.7 million people in those neighborhoods that receive this publication. Again, it was begun through a small grant from the National Endowment for the Arts.

As I think you will remember, an outgrowth of that program is the Trust's quite innovative Innercity Ventures Fund, which we have testified on some weeks ago.

Our experience with the National Endowment for the Humanities shows how the Endowments can reinforce each other and work with another national organization such as the Trust.

As I think you will remember, we maintain Chesterwood, the home and studio of Daniel Chester French in the Berkshires in Massachusetts. Some 2 years ago we received a grant from the NEH to take Daniel Chester French and his classical sculpture from the early part of this century to four major cities. We developed an exhibition of French's work including the seated Lincoln and the Minuteman and were able to take this to New York, Washington, Boston, and Detroit.

Its catalogue and the exhibit itself helped renew an appreciation for classical sculpture in this country. More recently, we received a $10,000 grant from NEA to undertake a contemporary sculpture at the Berkshires property of Daniel French called "Outdoor Sculpture in the Berkshires." This was held in 1980 with funding from the NEA. We had 9 outstanding contemporary sculpturers present there working for the entire summer, and it will be repeated this summer with private funding.

We recently held an opening at the Hershel and Adler Gallery, too, and raised $20,000 to replace the Federal money put into it 2 years ago.

Finally, I think another good example of the way our funding programs work with the Endowments, the Trust a little over a year ago gave a $1,000 matching grant to the Historic Lexington Foundation in Lexington, Virginia, to develop a restoration strategy for the Stonewall Jackson Home. This was later followed by an NEA grant to the Foundation to develop a much broader interpretive program, and then, finally, a challenge grant program to raise money for the restoration.

So we feel very strongly that the Arts and Humanities Endowments have worked symbiotically with the National Trust. We see our programs being reinforced by their efforts. We are talking about a very important issue in our country: Are we going to allow the Government to abandon funding for our cultural institutions and, in our view, create a far more significant crisis, that being a national identity crisis. We think the funding should be continued for these three programs at this year's level.

[The statement of Mr. Ainslie follows:]

TESTIMONY OF MICHAEL L. AINSLIE
PRESIDENT OF THE NATIONAL TRUST FOR HISTORIC PRESERVATION
BEFORE THE HOUSE APPROPRIATIONS SUBCOMMITTEE ON INTERIOR
CONCERNING THE INSTITUTE FOR MUSEUM SERVICES AND THE NATIONAL ENDOWMENTS FOR THE ARTS AND THE HUMANITIES
MAY 17, 1982

Mr. Chairman and Members of the Committee, I am grateful for this opportunity to encourage your continued strong support of the Institute for Museum Services, the National Endowment for the Arts and the National Endowment for the Humanities in the coming fiscal year.

These programs enjoy wide popularity because they are catalysts for positive, spontaneous expressions of our national cultural identity. Fortunately, in a time of challenge and confusion, this Committee has provided the leadership needed to sustain them. I am here today to emphasize a side to them that may be less well known to you.

These programs have been of tremendous value to the preservation of our historic properties, to their appreciation and enjoyment by the public, and to essential community planning for their future. Our historic and architectural heritage is, of course, an integral and important part of the American culture. Buildings have inspired the creation of sculpture, literature, drama and other unique expressions of the human spirit. Buildings themselves can be works of art. The Institute and the Endowments were wisely created by the Congress, in part, to encourage the preservation of these resources that differentiate us as Americans.

As you know, the National Trust is steward of some of the nation's most historic properties. And we are working with individuals, state and local preservation organizations and businesses in their private efforts to preserve buildings, mainstreets and neighborhoods important to them and to the country. We were here in early March to ask your continued support for the Historic Preservation Fund which provides matching aid to the National Trust and the state preservation programs. It is proper to ask why, if there is the Historic Preservation Fund, is there also a need for these other programs that may benefit historic properties.

Basically, the Historic Preservation Fund, as prescribed by law and as limited by the appropriations available in recent years, is targeted to core Trust activities and to essential state work to carry out the national program. This includes National Register nominations, tax certifications and protective Section 106 reviews. For the first time this year, there are no funds available for matching grants for the preservation of specific historic properties.

The Institute for Museum Services and the Endowments are available to meet needs that cannot and should not be met by the Historic Preservation Fund. These government programs are, in fact, complementary. With greater effort to identify landmarks and historic districts, and with more local interest and participation in preservation, it is only natural that the scope and diversity of worthy history-related activities would grow. The nature of the programs of the Institute and the Endowments, and the value of projects related to history, reflect this grass roots demand.

Perhaps the beneficial relationship among these programs, and the social good that they do, are best illustrated with examples of the National Trust's experience and that of its member organizations.

The Institute for Museum Services is a relatively small program that directly helps one of the country's most popular institutions - the museum. They exist to preserve natural and cultural history for the public benefit. In FY 1981 $2.6 million, or 36% of the grants made for general operating support, went to history museums or historic house museums, which account for half of all museums. This was the largest single category of grants, and it reflects the number of historic properties being preserved, with their collections, as public museums. Historic house museums are sometimes characterized as antequated stereotypes in comparison to today's diverse preservation activities. But they were the first focal point for preservation consciousness in many communities, and their operation and preservation remains an important responsibility.

The National Trust operates nine historic properties as musuems. A $2,400 IMS grant allowed us to participate in the Museum Assessment Program to improve management of Decatur House, Cliveden, the Shadows on the Teche and Woodlawn Plantation. Similarly, numerous member organizations have received modest but important IMS grants to cover increasing operating costs, develop private financial support or improve management. An example of the impact grants can have, the Nebraska Historical Society was able to determine appropriate period landscaping for some 40 of its museum properties across the state. The DAR, local garden clubs and others are now participating with the Society in their restoration.

We applaud the Committee's rejection of the Administration's proposed rescission of $10.7 million of this year's grant funds. We ask that you not allow the Institute to be closed down as proposed. Rather, funding should be continued at least at this year's level of $11.52 million.

The National Endowment for the Arts, especially through its smaller ($4.3 million in FY82) Design Arts Program, has provided significant support to local cultural activities that involve the use of older buildings. These activities range from reuse of National Historic Landmarks to waterfront rehabilitation to neighborhood conservation and preservation. The larger challenge grants also have gone to projects involving the reuse of historic buildings. The impact of a supported project can be tremendous. For example, the book "Rehabilitation Right" published by the City of Oakland, California, is viewed as one of the best sources in the field for the homeowner. NEA assistance got the project off the ground, and the book has become the practitioner's bible in California.

The National Trust too has competed for and won NEA support for innovative projects. An NEA grant of $34,000 several years ago started our neighborhood conservation office. It has led to National Trust leadership in the field of neighborhood preservation and revitalization. We conduct training workshops and publish Conserve Neighborhoods, a practical newsletter with 4,000 subscribers. It also laid the groundwork for the exciting new Inner-City Ventures Fund that I discussed with you in March.

Our experience with the National Endowment for the Humanities demonstrates how each Endowment can reinforce the other and stimulate creative interpretation and involvement in our history.

The National Trust maintains Chesterwood, the home and studio of the sculptor Daniel Chester French in Massachusetts. A grant from the NEH permitted us to share Mr. French with a public beyond those who visit the property each year. We were able to mount a major exhibition of his works, including the seated Lincoln and the Minuteman, in New York, Washington, Boston and Detroit. The exhibit and its catalogue have helped to renew appreciation for the classic sculpture done in America at the turn of the century.

More recently, the NEA provided a $10,000 grant to plan and install "Outdoor Sculpture in the Berkshires," a unique exhibit at Chesterwood juxtaposing modern outdoor sculpture with the works of Mr. French. Frankly, the support of the Endowments allowed us to undertake a creative interpretation program, with expanded public participation and enjoyment, which we otherwise could not have afforded to do. We believe our experience with the development of this house museum into an unusual artistic experience, one that has touched so many more lives in an exciting way, is merely one illustration of the vital force the Endowments can be in our communities.

The Trust's financial assistance programs also have worked with those of the Endowments. As an example, a Trust $1,000 matching grant to the Historic Lexington Foundation for a consulting expert to help with restoration of the Stonewall Jackson House preceeded an NEH grant to the Foundation for development of an interpretive program and a later challenge grant.

Just as we have said that historic preservation is not a luxury to be discarded in these hard economic times, so too the Endowments are not a luxury. The cultural activites supported, especially those associated with our history, will give this and future generations a sense of place. They will enhance future lives in the way that ours have been enriched -- and add to our cultural heritage.

Increasing private sector support for cultural programs is important, but we can tell you that it is not easy, especially in this economy. Certainly, there is no immediate substitute for the Institute or the Endowments, or the private funds their programs have generated.

Therefore, we request the Committee to continue funding of the National Endowment for the Arts and the Humanities at least at current levels of $143 million and $130.56 million respectfully.

The bottom line for all of us working to save our culture, Mr. Chairman, is the prevention of a national identity crisis.

Mr. YATES. Thank you for a very excellent statement. Thank you.

Mr. AINSLIE. Thank you, Mr. Chairman.

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MONDAY, MAY 17, 1982.

WITNESS

JOHN MATTHEWS, BOARD OF DIRECTORS, HISTORIC HOUSE ASSOCIATION OF AMERICA, LITTLE ROCK, ARK.

Mr. YATES. Mr. Matthews.

Mr. MATTHEWS. Good morning, Mr. Chairman.

Mr. YATES. You are the Director of the Historic House Association of America?

Mr. MATTHEWS. That is correct.

Mr. YATES. Your statement will be made a part of the record.

Mr. MATTHEWS. Thank you, Mr. Chairman.

I appreciate the opportunity to come before you today.

I regret that I may seem a little out of breath. I was Braniffed in Dallas at the risk of adding a new word to the vocabulary.

Mr. YATES. Nouns are becoming verbs.

Mr. MATTHEWS. It was a bit of a harrowing experience getting here.

We are a national nonprofit organization committed to the private restoration and preservation of America's architecturally, culturally and historically significant houses.

This is the organization for the private owner, whether it is a brownstone in New York, a side house in Fargo, North Dakota, or a house in Chestnut, Illinois.

Our 2,000 members across the country include both the owners and administrators of historic houses that are open to the public and includes history museums. We feel these historic houses and museums are an important part of our American culture which deserve recognition and visitation by fellow Americans and should be properly preserved for our posterity.

I am going to talk primarily about the funding of the Institute of Museum Services. The funding provided by the Institute of Museum Services in its past 4 years of existence, since 1977, has enabled a large portion of these museums to operate more efficiently and properly. In 1981, historic houses and history museums accounted for one-half of all museums receiving IMS grants.

Fifty-five historic houses and 149 history museums received IMS funding. In 1980, 50 percent of IMS grants went to historic houses and history museums in an effort to preserve our national cultural heritage.

I think it is significant to note that only a small portion of the money appropriated for IMS is used to administer the program itself. The grants are made available to museums in all 50 States.

We are not talking about a great deal of money going to any one organization. The maximum IMS grant is $35,000 or a maximum 10 percent of a museum's budget, whichever is smaller.

The IMS grant applications are reviewed by museum professionals across the country.

The IMS program provides a unique source of Federal money designed to meet the financial pressures of America's museums brought about by escalating operating costs.

IMS provides the only Federal money appropriated for direct, unrestricted operating support to museums.

These museums are finding, as we all are, that each day the bills are going up, people are out of work, attendance is going down; this is the only money that they have available to them to fix the roof or paint the door or whatever needs to be done at this particular museum.

It is critical for museums today, as general operating support is much more difficult to raise from the private and corporate sectors than funding for special projects or programs.

The Henry Francis duPont Winterthur Museum in Winterthur, Delaware, finds "tremendous competition now for philanthropic contributions in the private sector due to overall Federal funding cuts."

Winterthur has used IMS funds to offset their operating deficit. Ten years ago investment income from Winterthur's endowment met 90 percent of their operating expenses; today that income meets only 60 percent of their expenses and they expect it to decrease in future years.

Winterthur received $33,460 from IMS in 1981.

Dorothy Sallee, a member of the Historic House Association and Chairman of the Small Museums Committee for the Midwest, states that the proposed loss of IMS funding will be especially detrimental to small museums.

"If the smaller museums do not receive these grants in the future, they will be forced to go to the private sector for support, as will the large museums."

When you go back and look at the data to see who gave how much to whom, you will find the private foundations have given the largest museums in the country, those with the greatest visitation and income, the most money.

Small museums will be left out and will have fewer and fewer places to turn to.

Ms. Sallee, also President of the Association of Indiana Museums, states that in the State of Indiana alone three-fourths of the museums are small ones and that "except for metropolitan areas, this holds true for the majority of the country."

Another example of how the proposed IMS cuts will affect a small museum is evident in the Kent-DeLord House in Plattsburgh, New York. The Kent-DeLord House is the only museum in one tricounty area of New York State. Christine LoFusso, Acting Director, states that "funding is critical in a community of 20,000 people that deserves to have a museum."

The IMS grants have served to help reserve the collections of this house and have helped maintain a community outreach program.

Ms. LoFusso states that the museum will "drop to a minimal level of operation" for the museum is located in a "culturally rich but economically deprived area."

The areas in which the small museums are located don't have the economic resources to support them and without the IMS funding these museums which in many cases have fine collections and very, very dedicated staffs, will find the museum simply can't support it.

It will have to have some sort of funding from outside.

Mr. YATES. What is the alternative?

Mr. MATTHEWS. The alternative for funding?

Mr. YATES. Will they have to close?

Mr. MATTHEWS. Oh, yes, sir, you can't open the door if you don't have the money.

Mr. YATES. Have many closed? Do you know?

Mr. MATTHEWS. No, I don't. I think if IMS funding is cut I can provide you with a list that will run into pages.

Mr. YATES. Okay.

Mr. MATTHEWS. The Frank Lloyd Wright House in Oak Park, Illinois, has been in operation since 1974 and is a very small house museum. His home is just not that large.

Ms. Carla Lind, Executive Director, states the proposed IMS cuts would be unfortunate as they are in the early stages of operation. She further states that, "It could really set us back. We do not want to jeopardize the quality of our museum, yet individuals and corporations are not picking up the slack."

IMS grants have also served in the past 4 years to upgrade and help maintain the quality of historic houses and museums.

Dr. Katherine Brown, Executive Director of the Woodrow Wilson Birthplace in Staunton, Virginia, an HHAA member, believes that IMS has improved the quality of historic house museums services to the public and quality of the care of the architectural and material heritage of Americans that these houses and their collections represent.

As an IMS reader for the past 3 years, Dr. Brown states that IMS grants are awarded based on the efforts of each house museum in critical areas such as collections registration and conservation; accessibility of the museum and its services to the public, financial management and long-range planning.

I think it is important to note that the museums must demonstrate progress in these areas to receive funding. This is not going to museums just because they are museums; it is going to good museums that are doing something with this money and the money is not wasted by these museums.

The IMS has greatly upgraded the quality of museums. The smaller museums not run in the best way or that were opened simply as a device for tourist attraction, don't receive this funding.

There has been an increased awareness of performance of professionally acceptable management of collections, properties, interpretation, finances and community relations on the part of historic house museums and efforts by others to meet those standards.

The Strawbery Banke, located in Portsmouth, New Hampshire, views the IMS as an almost ideal Federal program which has worked hard to reduce unnecessary red tape, minimize regulation and control from Washington and maximize local discretion concerning the use of public funds.

Jim Vaughan, Director, states that no support has been more important to the development of Strawbery Banke than three consecutive awards from the IMS over the past 3 years. These awards have allowed Strawbery Banke to fund positions and operational expenses designed to improve our long-term financial position which could not have been funded by other Federal agencies.

Past IMS support for Strawbery Banke has been used to establish a firm financial footing for this museum, whose visitation in 1981 was 65,000 persons, including representatives from all 50 States and 26 foreign countries.

IMS grants have assisted numerous other historic houses and history museums maintain overall financial stability.

The Preservation Society of Newport County, Newport, Rhode Island, headed by a good friend, Paul Molliter, says that IMS grants have allowed them to free funding for vitally needed restoration of their buildings as a part of preservation of American culture. They are allowed to do things now to their buildings to keep them from deteriorating. They are allowed to preserve something instead of maintain it.

IMS money has been used in Newport to pay such things as the escalating heating bills when the situation arose.

The Mark Twain House in Hannibal, Missouri, has hired its first museum professional and has developed educational programs for children due to IMS funding. It is very important that these significant properties be maintained and operated by professionals in the museum field who will properly preserve the historical and architectural integrity of the structure and communicate to the American public correct, documented historical information.

Sleepy Hollow Restorations in Tarrytown, New York, started an educational development program in 1980 due to IMS funding.

Executive Director, John W. Harbor, states that IMS funds have helped to insure the quality of public learnings by supporting the training of interpretive staff including special staff training to improve skills to work with handicapped visitors.

As preservationists, we have been almost guilty of an oversight. This is a country made by a wide variety of people, many of whom happen to be handicapped and they have as much right to access our heritage as the nonhandicapped do. I have seen several instances of my own observation where IMS grants have allowed handicapped visitors to gain access which would have otherwise been denied them.

The Historic House Association recognizes the importance of continued Institute for Museum Services funding in fiscal year 1983 for American historic houses and history museums and applauds the committee for expiration of the rescission of 1982 IMS funds for our Nation's museums.

We do not want the funds cut. This is money being spent in a correct fashion for a very good system of doing things.

The money is not being wasted. It is being spent as it should be in the museums, and in an era when we look upon Federal spending as being something of almost extravagance, this is one thing I can assure you, Mr. Yates, is not extravagant.

[The statement of Mr. Matthews follows:]

STATEMENT OF JOHN E. MATTHEWS, DIRECTOR, HISTORIC HOUSE ASSOCIATION OF AMERICA

Mr. Chairman, and members of the Committee, I appreciate the opportunity to speak before you today on behalf of the Historic House Association of America regarding the proposed termination of funding for the Institute for Museum Services in FY'83.

The Historic House Association of America is the national, non-profit organization committed to the private restoration and preservation of America's architecturally, culturally and historically significant houses. Our 2000 members across the country include both owners and administrators of historic houses open to the public and history museums. We feel these historic houses and museums are an important part of our American culutre which deserve recognition and visitation by fellow Americans and should be properly preserved for our posterity.

Funding provided by the Institute for Museum Services in its past four years of existence, since 1977, has enabled a large portion of these museums to operate more efficiently and properly. In 1981, historic houses and history museums accounted for one-half of all museums receiving IMS grants. 55 historic houses and 149 history museums received IMS funding. In 1980, 50% of IMS grants went to historic houses and history museums in an effort to preserve our national cultural heritage. Only a small portion of the money appropriated for IMS is used to administer the program itself. The grants are made available to museums in all 50 states. The maximum IMS grant is $35,000 or a maximum 10% of a museum's budget -- whichever is smaller. The IMS grant applications are reviewed by museum professionals across the country.

The IMS program provides a unique source of federal money designed to meet the financial pressures of America's museums brought about by escalating operating costs. IMS provides the only federal money appropriated for direct, unrestricted operating support to museums. This is critical for museums today as general operating support is much more difficult to raise from the private and corporate sectors than funding for special projects or programs. The Henry Francis duPont Winterthur Museum in Winterthur, Delaware finds "tremendous competition now for philanthropic contributions in the private sector due to overall federal funding cuts." Winterthur has used IMS funds to offset their operating deficit. Ten years ago, investment income from Winterthur's endowment met 90% of their operating expenses -- today, that income meets only 60% of their expenses. Winterthur received $33,460 from IMS in 1981.

Dorothy Sallee, a member of the Historic House Association and Chairman of the Small Museums Committee for the Midwest, states that the proposed loss of IMS funding will be especially detrimental to small museums. "If the smaller museums do not receive these (IMS) grants in the future, they will be forced to go to the private sector for support -- as will the large museums. Historically, the private foundations have given to the largest museums in the country -- those with the greatest visitation and income. Small museums will be left out and will have fewer and fewer places to turn to." Ms. Sallee, also President of the Association of Indiana Museums, states that in the state of Indiana alone, three-fourths of the museums are small ones and that "except for metropolitan areas, this holds true for the majority of the country."

A prime example of how the proposed IMS cuts will affect a small museum is evident in the Kent-DeLord House in Plattsburgh, New York. The Kent-DeLord House is the only museum in one tri-county area of New York state. Christine LoFusso, Acting Director, states that "funding is critical in a community of 20,000 people that deserves to have a museum." The IMS grants have served to help preserve the collections of this house and have helped maintain a community outreach program. Ms. LoFusso states that the museum will "drop to a minimal level or operation" for the museum is located in a "culturally rich but, economically deprived area." "We need government support," states Ms. LoFusso.

The Frank Lloyd Wright Home and Studio Foundation in Oak Park, Illinois has been in operation since 1974 as a relatively small house museum. Carla Lind, Executive Director, states the proposed IMS cuts would be "unfortunate" as they are in the early stages of operation. She further states that, "It could really set us back. We do not want to jeopardize the quality of our museum, yet individuals and corporations are not picking up the slack."

IMS grants have also served in the past four years to upgrade and help maintain the quality of historic houses and museums.

Dr. Katherine Brown, Executive Director of the Woodrow Wilson Birthplace in Staunton, Virginia (an HHAA member) believes that IMS has improved the quality of historic house museums services to the public and quality of the care of the architectural and material heritage of Americans that these houses and their collections represent. As an IMS reader for the past three years, Dr. Brown states that "IMS grants are awarded based on the efforts of each house museum in critical areas such as collections registration and conservation; accessibility of the museum and its services to the public; financial management and long range planning. Museums must demonstrate progress in these areas for grant consideration." Dr. Brown further states that "IMS has improved the quality of presentation of America's house museums. The efforts of smaller museums which were not run in the best possible way have since become much more aware of attempting good quality." Dr. Brown has seen over the past three years "an increased awareness of the importance of professionally acceptable management of collections, properties, interpretation, finances and community relations on the part of historic house museums and efforts by others to meet those standards."

Another Historic House Association member, Strawbery Banke, located in Portsmouth, New Hampshire, views the IMS as an almost ideal federal program which has worked hard to reduce unnecessary red tape, minimize regulation and control from Washington and maximize local discretion concerning the use of public funds. Jim Vaughan, Director, states that "no support has been more important to the development of Strawbery Banke than three consecutive awards from the IMS over the past three years. These awards have allowed Strawbery Banke to fund positions and operational expenses designed to improve our long-term financial position, which could not have been funded by other federal agencies." Past IMS support for Strawbery Banke has been used to establish a firm financial footing for this museum, whose visitation in 1981 was 65,000 persons including representatives from all 50 states and 26 foreign countries.

IMS grants have assisted numerous other historic houses and history museums maintain overall financial stability.

The Preservation Society of Newport County, Newport, Rhode Island, says that IMS grants have allowed them to free funding for vitally needed restoration of their buildings as a part of preservation of American culture. IMS money has been used for escalating heating bills.

The Mark Twain House in Hannibal, Missouri, has hired its first museum professional and has developed educational programs for school children due to IMS funding. It is very important that these significant properties be maintained and operated by professionals in the museum field who will properly preserve the historical and architectural integrity of the structure and communicate to the American public correct, documented historical information. Sleepy Hollow Restorations in Tarrytown, New York started an educational development program in 1980 due to IMS funding. Executive Director, John W. Harbor, states that "IMS funds have helped to insure the quality of public learning by supporting the training of interpretive staff including special staff training to improve skills to work with handicapped visitors."

The Historic House Association of America recognizes the importance of continued Institute for Museum Services funding in FY'83 for American historic houses and history museums and applauds the Committee for expiration of the rescission of 1982 IMS funds for our nation's museums.

Mr. YATES. Does each of your member houses file separately its applications with IMS or how do you file?

Mr. MATTHEWS. Each museum would file separately.

Mr. YATES. What experience have they had? Are they treated well?

Mr. MATTHEWS. Yes, sir, very well.

Mr. YATES. Have many had their applications rejected?

Mr. MATTHEWS. Yes, sir, they have.

Mr. YATES. This year particularly or in previous years?

Mr. MATTHEWS. Previous years I have known of applications being rejected. In some cases the money was simply not enough to go around; in other cases programs, operational programs were delayed to later years.

Mr. YATES. That is because of lack of funds.

Mr. MATTHEWS. Lack of funds.

Mr. YATES. Have any had their applications rejected because of failure to include financial statements?

Mr. MATTHEWS. Not that I know of, sir.

Mr. YATES. Not that you know of. This seems to be the biggest complaint that we have heard so far.

Mr. MATTHEWS. My experience has been that frankly if you read the directions and fill the form out right they will take the application.

Mr. YATES. Very good, thank you very much, Mr. Matthews.

Mr. MATTHEWS. Thank you, Mr. Chairman.

Mr. YATES. That concludes the hearing for public witnesses on the Institute of Museum Services.

[Whereupon, at 11:39 a.m., the subcommittee was recessed, to reconvene at 1:00 p.m., the same day.]

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